

# permanentrevolution

Issue 4 / Spring 2007 / £2.50 €4.00

## The state of the British working class

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# From the editors

## **Permanent Revolution 4**

Spring 2007

A quarterly review of revolutionary politics and theory

### **Co-Editors**

Clare Heath, Keith Harvey and Stuart King

### **Editorial team this issue**

Alison Higgins, Bill Jefferies, Mark Hoskisson

### **Production Editor**

Jon Dennis

### **Production team**

Linda Wilde, Dave Gay, David Esterson

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Flat 1, 89 Gipsy Hill,  
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### **Email**

contact@permanentrevolution.net

### **Website**

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Welcome to the fourth issue of *Permanent Revolution*. In this issue we have attempted to take forward the integration of the magazine with our website and the worldwide web in general.

You will notice that many articles, such as the survey of Bolivia, now lead you to further information and background material on the web. Over 1,000 people are visiting [permanentrevolution.net](http://permanentrevolution.net) every day, and it is becoming a forum for lively debate and discussion as well as a means of getting comments on draft articles before they are written up for this journal.

We would obviously like to encourage our readers to actively participate in this process by using the comment facilities on our site. Related to this, we have introduced a "Feedback" section in this issue which not only includes letters, but comments and rejoinders to articles that have appeared in previous issues.

If you are interested in the ideas that are discussed in this journal we invite you to Permanent Revolution 2007, our first weekend school organised around this journal - details below. Hope to see you there.

The Editors

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# Strong profits drive capitalism's surging business cycle

SINCE 2003 the world economy has experienced one of the strongest sustained periods of growth since the 1950s. The collapse of the new technology stock market bubble in 2000, the second largest stock market crash in history, led to the mildest slow down of any business cycle since the 1960s, since when capitalism has had four successive years of more than 4% growth in global output. This is the longest sustained sequence since the tail end of the post-war long boom in the late 1960s.

How was capitalism able to escape the trend towards stagnation so characteristic of the 1970s and 1980s?

Through a combination of the defeats inflicted on the working class movement in the USA and western Europe in the 1980s and, critically, the restoration of capitalism in the former centrally planned economies of the USSR, eastern Europe and China. The latter massively expanded the size of the capitalist market and doubled the exploitable workforce while greatly lowering the cost of labour.

This created whole new trade networks based on the parcelling out of manufacturing processes into their various components. Underpinned by the roll-out of technolo-

gism there is a tendency for the rate of profit to fall and this tendency poses an inherent limit on capitalist production, this does not mean that in any given period profits must fall or indeed that the operation of that tendency was the pre-dominant one.

And indeed, rates of profit have been rising very fast since the advent of the globalisation phase of imperialism in the early 1990s.

The USA still accounts for around one quarter of world output, so trends in the USA are key measures of the health of world capitalism and US corporate profits are surging. Since the second quarter (Q2) of 2002, there have been 19 successive quarters of year-on-year, double digit corporate profit growth, the longest sustained period in more than fifty years.

Corporate profits have risen from \$715bn (Q3 2001) to \$1,648bn (Q4 2006). The rate of profit has risen to 29.8% in 2006, its highest annual figure since 1966 when it stood at 31.3%. There was a slight slowing in Q4 2006 compared with Q3 2006, with the quarterly rate of profit falling from Q3 30.2% to Q4 29.7%, but this was still the highest final quarter figure since Q4 1966.

This pattern of increasing profitability is repeated across the capitalist world. In Japan, currently experiencing its longest sustained period of continuous growth since the second world war, there have been 18 quarters of successive corporate profit growth. In the UK, the rate of return in early 2007 stood at its highest level since at least 1963. In Germany corporate profits have doubled since 2003. In China corporate profits have doubled since 1998.

It is this general surge in profitability which underpins the current upswing in the world economy, and if Marx's understanding of the centrality of profitability to capitalist production is correct then this sharp increase in the rate of profit should be reflected in world growth.

And indeed it is; according to the IMF World Economic Outlook for spring 2007, this year will be the fifth successive year of 4% plus world growth. The USA – notwithstanding the slump in residential housing – saw an increase in growth from 3.2% in 2005 to 3.3% in 2006, the EU grew 2.6% last year, its best performance since 2000, Japan by 2.7%, China by 10.7% (its fourth successive year of 10% plus growth), CIS by 6.8%, emerging Asia by 8.3%, Mercosur (Latin America's core economies) by 4.8%.

But we are witnessing not just strong overall growth. The integration of new markets, a doubling of the global (cheaper) labour force and spread of new technologies to

**The resurgence in the US economy is the result of a very substantial rise in the rate of profit, and while profits rise there will be no major crisis for US capitalism**

gies associated with the IT revolution, these developments massively raised productivity and profits by the second half of the 1990s.

But recently, in the light of the spring slide in the world's stock markets and the ongoing crisis in the US housing market, a question mark has been raised over the durability of the strong upward phase of the business cycle. Some commentators believe these events presage a recession. Will this be the year the tide turns?

The mainspring of the capitalist economy is the drive to increase profits. The rate of profit, the amount of profit a capitalist will yield on their investment, determines the health of the capitalist economy. If profit rates are rising capitalists have both the means and the incentive to expand production. While Marx demonstrated that under



communication, transport and business services has led to a reversal of the long trend of falling output per person. In the 1980s the annual average GDP per capita growth stood at 1.3% before nudging down further to 1.2% in the 1990s. But the latest World Bank figures show the average for 2001-2006 rose to 1.5%. This upward trend had risen to 1.7% by 2006 and is projected to rise to 2.1% by 2015.

This reversal is even more dramatic if we take IMF figures for per capita growth, since these are weighted to measure the growing contribution of the "developing" global South more accurately. The IMF records a GDP per capita average annual growth figure of 3.1% for the years 2000-2006, compared to 1.7% for the 1990s, a performance last seen in the 1960s.

The reason for this is that while the USA has slowed in 2007 the global upswing has generalised and deepened, its most dynamic sector being the newly emerging nations like China and south Asia. But it also extends to the transition economies of the former centrally planned economies which have, since the late 1990s, grown very strongly as their economies have begun to function on a fully capitalist basis.

It includes both Japan and the EU, the imperialist powers which remained relatively stagnant during the 1990s. This is because Japan used the 1990s to write down massive quantities of redundant capital in the stock and property markets and both Europe and Japan extensively restructured their domestic working classes. In Europe, German capitalism has rebounded strongly on the back of major restructuring since 2001 and is once again the engine of European capitalism. EU unemployment has fallen from 9.5% (1999) to 7.7% in 2006 and the labour force participation rate has risen from 66% (1996) to 70% last year.

The major concern for the world's boardrooms is whether the US housing market will lead to a full blown recession. The slow down in the US housing market, has led to a crisis in sub-prime lending (mortgages owned by those with the worst credit ratings), the collapse of New Century (the largest US sub-prime mortgage lender) and with a slump in US residential construction and housing sales.

This slowdown has led to a slump in US fixed residential investment from -11.1% (Q2 2006) to -18.7% (Q3 2006) and then -19.8% (Q4 2006); the number of houses sold fell from a peak in June 2005 of 1,350,000 to a February 2007 low of 950,000. Moreover, prices fell by 2.1% in February 2007 as the number of completed new houses not sold rose to a record high.

Global Insight estimates this slump has knocked about 1.2% off US GDP in 2006 (denting world growth by 0.3% in the process) and will knock a further 1% off in 2007.

But while the effect is substantial there are no signs yet that it has sparked a major crisis in the USA or is likely to do so. While the Dow Jones Industrial Index fell from an all time high of 12,782 in February this year to 12,050 in March, it has since recovered to 12,384 in April, remaining still well above the peak of the hi-tech boom in October 1999, when it reached 11,658.

And such a rise in stocks is not really a bubble at all, as the underlying prices to earning ratio has fallen. While share prices have risen since the low point of the bubble, profits have risen much faster. As a result shares are relatively undervalued even compared with their 2003 lows.

All the evidence suggests that while the decline in the US housing market has had a very serious impact on US residential investment, causing it to decline by nearly half, and certain finance houses specialising in sub-prime lending to edge towards collapse, there is no general financial crisis and certainly nothing on the scale necessary to cause a recession. The reason there has been resurgence in the US economy is as a result of a very substantial rise in the rate of profit, and while its profits continue to rise there will be no major crisis for US capitalism.

As the business cycle reaches its peak – probably this year or next – it should be expected that the rate of increase in the rate of profit will decline, before falling absolutely as the world economy enters the down phase of the cycle. If recent experience is a guide this will probably take place around 2010. What will then be decisive in determining the depth of the next slowdown or recession is how far and steeply the rate of profit falls.

## The widening Iraq crisis: Bush's Middle East gamble

WHEN IN April a suicide bomber tore apart the cafe in the heavily protected Iraqi parliament, it just reaffirmed the desperate straits Washington finds itself in trying to pacify Iraq. Four months after George Bush's "troop surge" in Baghdad, little has changed. Every day bombs and mortars explode across the city, every day tortured bodies are revealed in the new dawn – ordinary Iraqis stopped at checkpoints who happened to worship the wrong brand of Islam.

The extra 21,500 troops, since increased to 30,000, has had only a marginal effect, shifting guerrilla activity and sectarian fighting to north and south of the capital. US troop casualties are up, tours of duty have been extended from 12 to 15 months, army morale is at an all time low.

In the US support for the war has plummeted. The Democrats, now in control of both houses of Congress, know they owe their victory to the growing opposition to the Iraq occupation. As a result they are busy playing a



double game. They can pose as opponents of the current war strategy and demand a phased withdrawal, knowing full well the President can pursue his policy in defiance of a Congress that will not cut off army funds.

With their eyes on the 2008 presidential elections the Democrats are in a win-win situation. They can blame the Iraq disaster on Bush's recklessness and intransigence, and still blame the Republicans for blocking their efforts to restrain it.

Meanwhile the Bush administration looks to ever more desperate measures to recover its position in Iraq and the wider Middle East. The idea is that the troop surge will provide some stability in the capital while Washington exerts maximum pressure on the al-Maliki governing coalition to repress and control the militias through joint offensives with the US forces.

Their problem is both military and political. Al-Maliki's coalition is based on the very parties whose militias – the Badr Brigade and Mehdi Army – are heavily involved in the civil strife and sectarian killings. The Iraqi army, and especially the police, are heavily infiltrated and, in places, dominated by these militias. In the case of Moktada al-Sadr's Mehdi Army, it is campaigning for an end to the occupation and involved in attacks on US and British forces – it is therefore the major target of US repression.

The government of al-Maliki has been given notice by its US masters. He has to fulfil certain "benchmarks" in the first half of this year if he is to survive, which means attacking his own political base – not surprisingly, something he is reluctant to do. Currently his most important task is to steer the new Oil Law through parliament. This law will effectively privatise the Iraqi oil industry opening up two-thirds of all known oil reserves to multinational (i.e. US and British) ownership and control. This measure is currently dividing his cabinet and is stalled in parliament.

If he doesn't shape up there are already alternatives in the wings – former Iraqi Prime Minister Alawi was recently in Saudi Arabia along with Masoud Barzani, leader of the Kurdish region. They were apparently discussing a new "National Front" government that could win the support of some of the Sunnis in Iraq. The US has been encouraging surrounding Sunni states to play a role in reducing the influence of the pro-Iranian Shia parties in Iraq, so winning the Saudi regime's support is important.

The Iraq crisis is widening all the time. The withdrawal of Moktada al-Sadr's ministers from al-Maliki's government in April could herald the break-up of his coalition and the installation of a new, more pro-US, government. By overthrowing Saddam Hussein and crushing the Ba'ath Party the US overthrew Sunni dominance in the Iraqi state and handed power to the Shia parties – Sciri being

the largest and the closest to the Islamic regime in Iran. By effectively removing the Iraqi state as a player in the region by reducing it to a state of chaos and civil war, they also strengthened Iran's position.

Now the US is battling with Iranian influence not just in Iraq, but increasingly throughout the region. The arrest and kidnappings of Iranian diplomats and the seizure of the British sailors were part and parcel of this ongoing struggle.

The US military has been making desperate overtures to Sunni elders and tribal leaders for some time, trying to use them as a balancing power to the pro-Iranian Sciri. But the Sunni organisations have been leading the resistance to the US occupation and even working alongside al-Qaeda in Iraq. It is this failure to have any reliable local agents that the US can rely on in Baghdad that makes the US position so difficult, and in the long-term untenable.

One way out of the impasse Washington is considering, is to widen the conflict, to open many different fronts to weaken its opponents. Thus it has been whipping up anti-Shia feelings amongst its client regimes – in particular Saudi Arabia and Egypt. Saudi has been encouraged to involve itself in the Lebanon to undermine Iran's ally, Hezbollah.

The strengthening of Hezbollah and its victory against the Israeli army shocked the Sunni Arab regimes. They knew it meant growing prestige and influence for Iran in the Lebanon and elsewhere. In alliance with the CIA they are now bolstering the opposition militias there – a new civil war combined with a second Israeli invasion is clearly one option Washington is contemplating. But this time it must guarantee success for Israel and the complete destruction of Hezbollah.

In the meantime the pressure is being increased on Iran. Not just by kidnapping diplomats and Iranian agents in Iraq but by aiding and arming minorities in Iran – including, it seems even, al-Qaeda affiliated groups. The growing use of UN sanctions, supposedly because of Iran's pursuit of nuclear energy and military capabilities, is also part of this strategy.

Neither side wishes to stumble into open conflict. As the seizure of British troops in the Shatt al-Arab waterway showed, a clash with Iran would open the occupation forces up to real dangers. The British and US forces know that if the Iranians really backed and aided the Shia militias their troops would be in desperate straits.

Any such offensive on the part of the US would have to be accompanied by serious air strikes to try and destroy Iran's infrastructure and its ability to fight back. The summer war in the Lebanon showed this will be no easy task and it is a high risk strategy.

But then George Bush is a desperate man



SCOTTISH ELECTIONS

## Scots Nats and Lib Dems set to oust Labour

**MAY MARKS** two key events on Scotland's political calendar. The month opens with the 300th anniversary of the Act of Union, which effectively created the United Kingdom, while Thursday 3 May sees the third elections to the Holyrood Parliament, a poll that some commentators suggest will accelerate the fragmentation of the British nation state.

Though the last Holyrood

Alexander, has denied suggestions that it would lash up with the Tories in an anti-nationalist executive. But there is little evidence anyway that the Tories are about to re-emerge from the darkness to which the Scottish electorate has consigned them for more than a decade.

The SNP's leader, Alex Salmond, has pledged a referendum on the question of "Scottish independence" towards the end of the four-year

bourgeois nationalist party, though the derisory moniker of "Tartan Tories" would hardly seem to apply at present. Under the renewed leadership of Salmond the party has opposed the Iraq war (making withdrawal a central theme in one of its election broadcasts) as well as opposing the next generation of Trident nuclear missiles, to be based in Scotland. In the words of the Labourite academic, Bernard Crick, the SNP has forged ahead of the current Holyrood leadership by promoting "social welfare policy that is virtually a crib from old Labour".

Such policies might be useful to win Labour supporters disillusioned with Blair's right wing policies, but the SNP has not fundamentally changed its political spots. At its recent party conference, Salmond boasted of a £500,000 donation to his party from the founder of Stagecoach, Brian Souter, notorious both as a union-busting boss in the transport industry and someone who bankrolled opposition to the repeal of a key piece of anti-gay legislation in Scotland.

Salmond, a former Royal Bank of Scotland economist, has also been cultivating business support for his party and for independence, his model being the "Celtic tiger" experience of the Irish Republic, which has given the multinationals a free ride in terms of low taxes. While calling for an expansion of aspects of welfare provision, Salmond proclaims his commitment to cutting corporation tax and slashing business regulation still further.

### While calling for an expansion of welfare provision, Salmond proclaims his commitment to cutting corporation tax and slashing business regulation

election in 2003 attracted fewer than 50% of Scotland's voters to the polls, the Scottish media are in a state of high excitement, which has even spread south of Hadrian's Wall, since the UK May elections will serve as something of a final electoral verdict on Tony Blair's decade as prime minister. There is little doubt that Blair is even more unpopular in Scotland than in England at present.

The most recent opinion polls confirm that the Scottish National Party (SNP) has gained a clear lead over Labour, the dominant partner in the coalition controlling the Scottish Executive. Six out of seven polls conducted during March show the SNP ahead. But, because of proportional representation there is virtually no prospect of the SNP forming a functioning executive without the support of another party in the parliament – most probably the Liberal Democrats. The Tory leader has publicly ruled out a coalition with any other party, while leading Labour MP, Douglas

life span of the next parliament. Meanwhile, his most likely coalition partners, the Liberal Democrats, have come out against holding a referendum. While some opinion polls in recent months have suggested narrow majorities for Scotland's exit from the UK, the outcome of any referendum is by no means a foregone conclusion – even 25-30% of SNP voters do not favour independence according to surveys.

Founded in 1934, the SNP is a

## The national question

**WHILE SCOTLAND** lost its original parliament in the wake of the 1707 Act of Union, it did not suffer the systematic oppression experienced by Ireland for centuries. Indeed, Scotland, despite witnessing a large-scale emigration in the 19th and 20th centuries, has been an integral component of an imperialist British state over the past three

centuries, with Scottish regiments taking the imperial flag, and the national oppression that went with it, across the world. Scotland is not an imperialised nation and its nationalism is no more progressive than that of Fianna Gael and Fianna Foyle who dominate the Irish parliament.

Scotland has certainly witnessed dramatic class struggles over



the past century, occasionally, as in 1919 with the "Red Clyde", on a scale not seen elsewhere in Britain. This fact has been used by the socialists in Scotland who pander to nationalism as part of an argument for Scotland breaking away. Somehow, they argue, it will produce a socialist Scotland. But there is little current evidence that there is a significantly greater militancy at present within the Scottish working class, with only marginally higher rates of unionisation and strike action. Opinion polls may have shown a greater level of opposition to the Iraq war at an earlier stage than in England, but the country's anti-war movement has not been qualitatively larger or more radical. Certainly the strength of Labour reformism is stronger.

The Scots certainly are a nation and have every right to their own

parliament with as many powers as they wish it to have. The existence of a separate legislative body for Scotland has clearly blunted the impact of some neoliberal reforms introduced by New Labour, for example leaving Scottish home students exempt from university tuition fees, with no charging for social care for vulnerable adults and older people and less privatisation of public sector services. But the Holyrood parliament, which has the power to alter tax rates by a mere three pence in the pound, still has fewer powers than many provincial or state assemblies throughout Europe – a factor that may account for the modest turnouts seen at the first two elections in 1999 and 2003.

The Scots have the right to hold a referendum on independence and if they vote to separate from the UK every socialist should support that right. That does not mean we are

advocates of independence. Quite the opposite.

If a referendum were to take place in the foreseeable future we would urge workers to vote "no" to separation. Such a move would only serve to undermine unity within the British working class. When Thatcher introduced the Poll Tax in the 1980s in Scotland, a year ahead of England and Wales, Scottish workers led the fight against it. But only when English, Welsh and Scottish workers united to destroy it could they smash the tax and effectively finish off Thatcher too.

If Salmond has his way an independent nationalist Scotland will sell workers' conditions and peddle tax advantages to lure multinational investment in direct competition with Ireland, Wales and England. Only the working class will lose in such a race to the bottom.

G R McColl

#### HOW SOCIALISTS SHOULD VOTE

## The SSP, Solidarity and the May elections

THE SNP is, of course, not alone in proclaiming its commitment to an independent Scotland. The Scottish Socialist Party (SSP) also favours separation, arguing that subordination to Westminster is a crucial obstacle to socialist advance. At the 2003 Holyrood election the alternative member system enabled the SSP to capture six seats on the basis of achieving slightly more than 6% of the popular vote on the regional lists.

But the SSP's support slumped at the 2004 Euro elections and declined still further in the May 2005 Westminster poll. For an organisation that had become increasingly electoralist, a trajectory in keeping with its left reformism, the sharp falls in popular vote fuelled the underlying personal tensions in the party. Sheridan's notorious News of the World libel case and eventual decision to split from the party he had co-founded has dramatically altered the political

landscape for the left in Scotland.

The differences in programme between Sheridan's new party, Solidarity, and the SSP are minimal. Both stand on left reformist programmes and for independence for Scotland. As we said in Permanent Revolution 2 (Autumn 06), this was an apolitical split based on personality not politics. It is little surprise then that both groupings are in danger of sinking without trace. The SSP's name recognition has given it some 3% in some polls, while Solidarity barely registers in any. If these figures play out in the May elections they will be lucky to get a seat between them.

The split has also cost the SSP its principal source of trade union backing. The RMT, which had affiliated in Scotland at the cost of its expulsion from the Labour Party nationally, is now supporting neither group. While the SSP's members of the Scottish Parliament, particularly Rosie Kane, have certainly been active in

opposing dawn raids on the homes of asylum seekers and in protests against the Faslane nuclear base, this is an organisation whose modest base of working class support has eroded substantially. Neither the SSP nor Solidarity any longer represent a force capable of winning significant working class support breaking to the left of Labour. Against this background of shrinking support, Permanent Revolution no longer extends critical support to the SSP, with its programme of left reformism fused to nationalism.

In the absence of a serious alternative to Labour with deep roots in the organised working class, much less a revolutionary programme on offer, we urge Scottish workers to vote Labour on 3 May. Workers should campaign both to expose the real programme of the Scottish nationalists and to build a movement in and outside the Labour Party that can fight Blairite neoliberalism both in Scotland and across the UK.



## MAY ELECTIONS

## Revolutionary tactics in the elections

IN MAY this year there are elections for the Scottish Parliament, the Welsh Assembly and for local councils across England. Despite widespread hatred of Blair's war-mongering, neo-liberal Labour government it seems that these elections will not act as a focus for mobilising resistance, but will pose workers and socialists with a dilemma about who, if anyone, to support. Permanent Revolution has agreed the following statement on Labour and the elections. Ongoing debate about the elections can be found on our website.

THE LABOUR Party, despite its racist, privatising and war-mongering policies, remains a bourgeois workers' party as there has not been, yet, a qualitative transformation in the relationship between it and the trade unions. Even over the last few years it has used these links to quell the class struggle, for example through the Warwick Agreement just before the 2005 general election, and the pensions deal with the PCS.

While the Labour Party remains a bourgeois workers' party and there is no significant left of Labour alternative with any chance, or even intention, of beginning to break workers from reformism, we call for a vote for Labour unless there are real candidates of struggle standing against them. Where there are possible candidates of struggle, we will consider whether to support them based on their implantation in the working class, their profile and their platform. The alternative to the above, a pick-and-mix approach, would be impractical (there are hundreds of councillors standing) and contrary to our method – it is not the programme of the bourgeois workers' party that

is critical but it's continued organic links to the working class.

We will continue to look at these questions and at relevant electoral tactics. As the situation is changing, the illusions of workers in social democracy are expressed in only the most modest expectations of any progressive reforms such parties might deliver in government.

Our work around the John McDonnell leadership campaign at the same time as these elections gives us a particular edge to our call to "vote Labour but organise to fight" – on this occasion we can point to a fight, however limited, actually within the Labour Party itself.

In the Welsh Assembly and the council elections taking place in all English local authorities outside London, we use the tactics explained above.

We advocate a militant no platform movement against the BNP/NF and any other fascist activity, to disrupt and prevent

their meetings, supporting the right of organised self-defence and where possible actually organising it. Such a campaign should draw in youth and workers involved in other current struggles. We demand that trade unions back such a movement with publicity and resources arguing for pro-working class solutions to racism, war and privatisation. We will consider supporting or identifying candidates of struggle against the BNP, but otherwise extend highly critical support to the bourgeois workers' party candidates – all of the time using this as a tactic to drive a wedge between the working class and its support for a party which has the politics of the bourgeoisie.

As we said when we founded our organisation:

"Of course we don't think voting Labour will defeat fascism. We need to defeat them on the streets and through a fight for a real revolutionary alternative to capitalism. But we do think it is necessary – indeed it is an elementary united front tactic – to block them building an electoral base for fascism wherever we can. If a revolutionary candidate or a serious candidate of struggle is not standing we should critically support Labour under such circumstances." Founding Statement, *Permanent Revolution* 1

## LABOUR PARTY

## McDonnell struggles to get onto the ballot

AT THE end of March 400 activists attended a national rally in support of John McDonnell's campaign for the Labour leadership. It demonstrated two things. First, the campaign has gathered significant and enthusiastic support from sections of the labour movement and beyond.

Second, it has yet to win the support of the 45 Labour MPs needed to get his name on the ballot paper. At one level this demonstrates the undemocratic nature of a voting system that gives far too much power to MPs as against the other parts of the Labour Party, the trade unions and ordinary members.



Why should MPs have an effective veto on a candidate like McDonnell who has large support in the unions and party? Because New Labour has no desire to see an effective challenge to their rule from outside the ranks of "on message", career building and eminently controllable MPs.

his "Johnny come lately" campaign has bombed and shows little basis of support amongst MPs, let alone the wider movement. His launch press conference gave a clue in this regard. It was chaired by Ian Gibson MP, who amused the assembled journalists by informing them he was doing Meacher a favour and

my life". But obviously not big enough to make him question his own judgement or leadership credentials!

Meacher has travelled a long way from the days when Neil Kinnock described him as "Tony Benn's vicar on earth". He was in the first New Labour cabinets, only rediscovering his leftism when he was eased out of the leadership. Meacher is little more than a self-serving irritant who is and should be treated as such by all socialists and militants.

We will continue to support John McDonnell's leadership campaign, whilst arguing with the modest and limited reformist nature of his manifesto. In the course of this activity we know that if or when Brown becomes leader we will have in place an organised fighting opposition from day one that won't have allowed a coronation and will prevent any "honeymoon" period under Brown.

**Andy Smith**

### Meacher has travelled a long way from the days when Neil Kinnock described him as "Tony Benn's vicar on earth"

However, as various voting rebellions have shown, you can't control all of the MPs all of the time, so it is still possible that the campaign may get the 45 votes necessary to ensure that a real contest takes place.

Also, in the absence of a Blairite challenge to Brown, with Miliband looking less likely to stand, it is possible that some in the Brown camp will nominate McDonnell just to ensure that Brown isn't "crowned" but wins an election and so ends up with more authority. Brown supporters favouring this plan have been helped in their calculations by the refusal of the leaders of the big four unions to endorse the McDonnell campaign, often boycotting their own union policies in the course of that refusal.

The Brownites therefore reckon that a contest with McDonnell is not a problem, and victory is assured. But we don't accept this as a foregone conclusion. It would throw things wide open. While the leaders might campaign for Brown, it will be the votes of rank and file trade unionists plus the votes of ordinary Labour Party members that will be decisive. This would present the potential for a much more significant and political fight than the one occurring at the moment.

Michael Meacher's decision to stand should be seen in this context. His intervention reflects delusions of self-importance in the absence of real principles. In fact

didn't know if he would be voting for him!

More importantly for our own assessment of Meacher is the fact that he voted in favour of the Iraq war and in the first phase was an enthusiastic supporter of the invasion. He now describes that as "the biggest political error of

#### ZIMBABWE

### Butcher Mugabe faces a terminal crisis

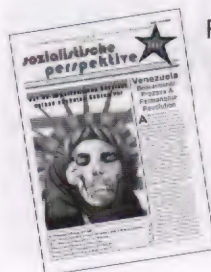
THE WORLD took notice when the leaders of Zimbabwe's opposition stumbled beaten and bloodied onto the court steps in Harare in March. Morgan Tsvangirai of the Movement for Democratic Change (MDC) received most attention as the leader of the opposition to President Mugabe's increasingly dictatorial rule. The leaders of the MDC were arrested for trying to attend a "prayer meeting", their right to demonstrate having been denied.

The latest crisis and crackdown on the opposition was partly the result of growing divisions within the Zanu-PF ruling party. Mugabe had sought to prolong his presidential term by two years to 2010 and had been blocked by rivals in the Zanu-PF leading committee.

Such is the economic crisis in Zimbabwe that even Mugabe's former allies are deserting him. Opposition centred around Emmerson Mnangagwa, a former state security minister, and the Vice President Joice Mujuru, wife of a former army chief and Mugabe crony who made millions from the seizure of white owned farms.

Scenting that the Mugabe regime could fall with one last push, the major imperialist powers, who have been imposing increasingly rigorous economic sanctions against Zimbabwe, pulled out all the stops to try to oust him. Encouraging the opposition onto the streets, pressurising the Southern African Development Community (SADC) to issue an ultimatum to Mugabe at its March





FROM AUSTRIA

## Sozialistische Perspektive NoII (March 2007)

GRA – Gruppe für revolutionär-marxistische ArbeiterInnenpolitik  
(Group for Revolutionary Marxist Workers Politics)

Includes: Hands off Iran! / Theses on Venezuela / Free Ahmed Saadat!  
Plus: Founding statement of the GRA

Available at [www.arbeiterinnenpolitik.net](http://www.arbeiterinnenpolitik.net) Contact [gra@arbeiterinnenpolitik.net](mailto:gra@arbeiterinnenpolitik.net)

meeting, publicising the repression and torture across the world's media, the effort was in vain. The SADC issued only friendly words and the Zanu-PF leadership endorsed the 83 year old Mugabe as their candidate for another six year term in the 2008 presidential elections.

But this clearly isn't the end of the story. The Zimbabwean economy is in freefall – estimates suggest it has shrunk by almost 40% since the late 1990s. It has the highest inflation rate in the world, currently running at 1,700% and predicted to rise to 5,000% by the end of the year if the government keeps printing money. Unemployment is running at 80%, there is massive poverty and life expectancy is the lowest in the world at only 37 for men and 34 for women, down from 60 in 1990. The UN estimates that between 18-20% of 15-54 year olds are infected with HIV with little hope of treatment. Not surprisingly, millions of Zimbabweans have fled the country, mainly to South Africa, as economic refugees and to escape repression.

The divisions in the Zanu-PF ruling party are a reflection of the deepening crisis. Even Mugabe loyalists recognise that things cannot go on as they are. The crisis is biting deep into the party's support. Even the police are deserting because of low pay and "security personnel" are now being shipped in from Angola to prop up the regime. But the problem is how to remove the ever more authoritarian president who has been increasing his grip on power and over the party.

The major imperialist powers in the region, the USA and Britain, want a solution that protects their interests. They have been manoeuvring for some sort of transitional regime without Mugabe – ideally made up of dissidents within Zanu-PF and the MDC. Economic benefits are being held out – the lifting of sanctions, new loans, IMF and World Bank aid – and of course an amnesty for all the crimes committed by these Zanu leaders when they were in government. This is why they have

been stepping up pressure on Thabo Mbeki of South Africa to come on board and help oust Mugabe.

Their problem is that South Africa is a minor imperialism that has its own interests to look after in southern Africa. Since the crisis really began to take hold at the turn of the century South African multinationals have been buying up major areas of the Zimbabwean economy at bargain basement prices. Twenty-seven of South Africa's biggest listed companies

(ZCTU), of which Morgan Tsvangirai was General Secretary.

In the 2000 parliamentary elections the MDC won 57 of the 120 seats in parliament and this despite large scale vote rigging. Instead of launching a mass disobedience campaign of strikes and demonstrations against the stolen elections, the MDC played the parliamentary game and watched as Mugabe used the presidency to produce an ever more rigged and repressive governmental

### Scanting that the Mugabe regime could fall with one last push, the major imperialist powers pulled out all the stops to try to oust him

now have operations in the country. The mining sector – platinum and diamonds – has been a recent target. Following the decline of commercial agriculture this is now the biggest area of Zimbabwe's economy and its most important foreign currency earner.

Of course there will come a time when the general collapse of the country's economy will begin to affect these investments, and South Africa is pressing for bilateral guarantees from Mugabe that its interests will be exempt from threatened nationalisation proposals – threats no doubt designed as a warning to South Africa not to threaten Mugabe's position. China is also playing an important role in propping up the regime and it too is busily buying into the mining sector.

But what about the internal opposition led by the MDC? Does it hold out any hope for the suffering masses of Zimbabwe? Unfortunately the record of the MDC gives no hope that it can offer a progressive solution to the crisis. It is certainly dramatically weaker now than it was in 2000. Then it had just emerged out of the mass trade union struggles against Mugabe in the late nineties. This was led by the Zimbabwe Congress of Trade Unions

system. The MDC's answer was to turn right, joining up with the big white farmers and seeking support from imperialism on the basis of a neoliberal programme of free market reforms. Little wonder that its support has dwindled in subsequent elections, its supporters have become demoralised and it has suffered a debilitating split over its decision to boycott the 2004 elections resulting in two "MDCs".

The March governmental crisis saw the Tsvangirai wing of the MDC attempting to reassert its position as a major opposition force. Following the arrests and beating of the MDC leadership, a two day general strike was called by the ZCTU in April. Again during the build-up to this strike there was mass repression with beatings and kidnappings of TU organisers and journalists. At least two were killed and others disappeared. The intimidation combined with the desperate economic situation led to only a partial response to the strike call – in a country where only 20% are employed and desperate to hang onto their jobs this is not surprising. It is also the case that many of the most active sectors of the working class are already in exile – trying to earn a living to send money back to their families.



There is no doubt Mugabe's days are numbered. No government can survive such a desperate collapse in its economy for a prolonged period. The regime will fall probably because of a split in its inner circle, perhaps because of a popular explosion of anger, or a combination of both. The imperialists will desperately try to ensure a smooth transition, keeping on many of Mugabe's blood

soaked allies and trying to bring in the MDC.

The workers and small farmers of Zimbabwe, inside and outside the country, have every interest in disrupting such a transition and demanding that the murderers and torturers who have ruled Zimbabwe for the last two decades are brought to justice.

Jason Travis

### 25 YEARS SINCE THE FALKLANDS WAR

## The Malvinas are still Argentina's

➤ TWENTY-FIVE YEARS ago Argentina "invaded" the Falkland Islands, known in Argentina as the Malvinas. The invasion took the British ruling class by surprise and threw the British left into confusion. Should they support Thatcher's decision to send the fleet, to "defend the islanders" – or stand with Argentina against imperialism?

The Falkland Islands, 300 miles off Argentina and nearly 8,000 miles from Britain, passed to Argentina when it won its independence from Spain. Argentina had a settlement there from 1820s but it was destroyed by a US Navy raid.

The islands were then seized by the British in 1833. Ever since, Argentina has maintained its claim to the islands, whilst Britain has settled it with colonists – 1,800 islanders lived there in April 1982 when the Argentinian force arrived.

The decision to invade the islands was not taken by the Argentine military for progressive reasons. President Galtieri represented the fag end of a vicious military dictatorship – over the previous decade the Argentine military had brutally murdered and "disappeared" tens of thousands of leftists and

democrats. Desperately unpopular and facing an economic crisis, they saw the re-taking of the Malvinas as a route to popularity and survival. Indeed the Argentinian population rallied behind the cause – but also used the mass demonstrations against the British to organise on the streets once again.

In Britain Margaret Thatcher was in equally desperate straits. Three years in power had seen her monetarist and neo-liberal policies decimate British industry. Unemployment was rocketing, inflation high and the economy in deep trouble. Thatcher jumped at the opportunity to don her steel helmet and rally the country for war against "the Argies".

The Labour opposition was led by that self-confessed "peacenik" Michael Foot. But as usual Labour rallied to the imperialist flag, with Foot competing to outdo Thatcher in jingoism in the emergency parliamentary debate that followed the "loss of the Falklands". Labour was all too happy to ring the chauvinist bells at the time, but was wringing its hands a year later when Thatcher romped home in a general election as the victorious war leader.

Our organisation at that time, Workers Power, was one

of the few groups on the left to oppose the war hysteria with clear internationalist slogans. We stood in support of Argentina, and declared, "the main enemy is at home". The majority of the left went along with the Labour left in calling for peace and UN intervention, refusing to support Argentina against imperialist attack.

The article "British Imperialism: Hands off Argentina" posted on our website was the front page of our paper, written at the end of April when the British fleet had already left for the South Atlantic.

By that time there were almost weekly demonstrations against the oncoming war led by Labour left MPs like Tony Benn and Reg Race, demonstrations on which the internationalist contingent had to fight to protect itself from both police and organisers, such were the levels of chauvinism at the time. *Labour Herald*, the paper quoted, was the mouthpiece of the municipal left, edited by, amongst others, Ken Livingstone and Ted Knight.

The Malvinas/Falklands War represented a watershed in British politics and also, in some ways, for the British left. Some, like the Militant (now Socialist Party – SP), predictably denounced Argentina, even calling on trade unionists to "black" Argentinian goods. The SP has usefully reprinted one of their key articles from the time in the April issue of *Socialism Today*, and a truly awful article it is.

The SP says that the Falklanders – that is to say, the colonial settlers the British placed on the islands – "have the right to enjoy their own language culture and autonomy." This ignores one little thing; the Falklanders did not – indeed do not – want "autonomy", they wanted to remain part of the British Empire, in the same way the protestants of Northern Ireland do, and the French in Algeria wanted to remain part of French empire. Therefore in the Marxist sense there is no "self-determination" to defend here.

The Militant/SP article, while it is against war in the abstract, makes clear that general strike action was



# REVOLUTIONARY OUT SOON HISTORY Pierre Broué Commemorative Issue Vol. 9 No.4

Trotskyist historian, editor of Cahiers Léon Trotsky and author of a major biography of Leon Trotsky, Pierre Broué, died in 2005. This new issue offers a critical, biographical article and a series of articles and extracts of Broué's work not previously published in English

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## ROSTOCK 2007

### Stop the G8 summit!

AS WE go to press the Third International Action conference against the 2007 G8 Summit is taking place in the Baltic city of Rostock, not far from the Polish border.

Several hundred activists are expected to finalise plans for protest against and resistance to this year's meeting of the G8 – an informal alliance of some of the world's most economically and militarily dominant powers. The leaders of the US, UK, Germany, Russia, Italy, Canada, Japan and France will meet on 6-8 June at the luxurious Grand Hotel Kempinski in nearby Heiligendamm.

Previous annual summits have been met with massive resistance, and this year will certainly be no exception. Rostock is within easy reach of the major cities of Berlin,

Hamburg, and Copenhagen.

Events planned by summit opponents include a demonstration in Rostock of at least 100,000 people on Saturday 2 June, before the summit starts. During the summit it will be blockaded and a counter-summit held. The Rostock demonstration will have two starting points from which marchers will converge on a rally by the harbour front. Permanent Revolution appeals to all our readers to join the revolutionary, internationalist and anti-capitalist bloc which will start from Platz der Freundschaft, near the main railway station at 1pm.

The decision to hold the counter-summit simultaneously to the summit has been a controversial one. Counter-summit organisers argue that this timing will give

their views the most publicity. But it will also mean the exclusion of those who want to take concrete action by shutting down the summit – action that will be more than a powerful symbol, because it will actually disrupt the imperialists' annual carve up of the world. The international left badly needs opportunities like the counter-summit to coordinate its strategy; however in the view of Permanent Revolution, there is a time for talking, and a time for action, and 6-8 June 2007 will not be days for solemn conclave.

There will be more details on the website shortly but if you are interested in travelling to Germany with us (likely cost £80-100), get in touch with your local group or via email or our website.

James Thorne

#### LINKS

Stop the G8 Campaign  
[www.antig8.tk/home\\_en.php](http://www.antig8.tk/home_en.php)

"impossible" and "Nor could the call to stop the war or withdraw the fleet provide a basis even for a mass campaign of demonstrations, meetings, and agitation – because it leaves unanswered, in the eyes of workers, the vital question of the rights of the Falkland Islanders and the question of opposing a vicious military-police dictatorship in Argentina." So no strikes and no calls for withdrawal, which explains why they blocked with the right and opposed such calls in constituency Labour Parties during the war.

Rather, they called for a general election to return a Labour government committed to socialist policies. Such a Labour government, we were told, "could not just abandon the Falklanders and let Galtieri get on with it. But it would continue the war on socialist lines"! So here we have it. The SP endorses an article that calls for the continuation of an imperialist war under a Labour government (with socialist policies of course). The SP might have changed its

mind on the Labour Party since, but it remains only too true to its social chauvinist past.

For the then Socialist Organiser (now the Alliance for Workers Liberty – AWL), led by Sean Matgamna and Alan Thornett (the latter now in Socialist Resistance), the war signalled a noticeable shift to the right. Socialist Organiser decided to defend the "self-determination" of the Falkland Islanders, which meant they refused to support Argentina in the war over the Malvinas. Today, of course, it is a point of honour for the AWL to support colonial settler peoples, be it the Zionists in Israel or the Orange protestants in the six counties. At that time, however, it was a surprising shift to the right.

More importantly for British workers, Thatcher's military victory led her to call an election, donning

the mantle of successful war leader and liberator of the Falkland Islanders. Foot, having tied himself to Thatcher's war chariot, was crushed under its wheels in the election. Thatcher's victory in 1983 paved the way for the onslaught she delivered against the miners in 1984/85, a working class defeat that was to throw back workers' struggles in Britain for decades.

The prediction we made at the end of our article in 1982 that a victory for Thatcher would only "strengthen her arm in her reactionary rampage against the working class at home" was unfortunately born out in spades. A victory for Argentina in the 1982 war would undoubtedly have done for Margaret Thatcher, and British working class history might have followed a very different course.

Stuart King

#### LINKS

A version of the article that appeared on [www.permanentrevolution.net](http://www.permanentrevolution.net) on 2 April 2007 – the 25 anniversary of the Argentinian's retaking of the Malvinas. Reprinted articles and ongoing comment section can be found at: [www.permanentrevolution.net/?view=entry&entry=1266](http://www.permanentrevolution.net/?view=entry&entry=1266)



**T**HE MAJORITY of the Bolivian people voted for radical change when they put Evo Morales into office with 53.7% of the poll. Morales' party, the Movimiento Al Socialismo (Movement towards Socialism – MAS) insisted it would nationalise the hydrocarbon resources and reverse decades of neoliberal damage inflicted on the people.

Sworn in as President of the Republic of Bolivia on 22 January 2006, Morales reaffirmed his pledge to renationalise the country's natural resources. "When we talk about recovering the territory we are talking about recovering the natural resources, and these need to be in the hands of the Bolivian people and the Bolivian state".

# Scenes from a country in ferment

*Under the slogan "We are the people, we are MAS," Evo Morales won the Bolivian presidential elections of 2005. In this special dossier Dave Esterson examines the record of his government, while in three reports from his March visit to Bolivia Wladek Flakin of German REVOLUTION, testifies to the political ferment sweeping the country*

As its most valuable resource, Bolivia's natural gas and oil deposits could utterly transform the lives of every poor Bolivian, on one condition: that they are taken out of the ownership of the foreign transnationals, placed in the hands of the state and run by the workers. That way the mass of profits milked by these European and US corporations and siphoned abroad could be used to build schools, provide free education, create jobs and give health and retirement care to everyone as a right.

But from the very start the Morales government has faced two pressures. On the one side, he is pressed by the popular organisations for land reform, indigenous rights, using the wealth from the natural resources of the country for the benefit of all. On the other side, he faces the clamour of the transnational corporations who are in league with the ruling elite of Bolivia, who are unwilling to meaningfully share any of the wealth and power they have in Bolivia, let alone hand it all over.

Those who voted for Morales are already learning that this government is wedded to a project of reconciling these two opposed pressures – an impossible task.

The way the government handled the nationalisation of the hydrocarbons exemplifies this. On 1 May 2006, Morales announced presidential executive decree number 28701, which nationalised of Bolivia's oil and gas reserves. The announcement of the decree was accompanied by dramatic pictures, shown around the world, of Bolivian troops sent to many of the nation's oil fields by Morales to "protect" the oil and gas. Banners were draped over the installations





Miners from Huanuni who defended their state mine

by the occupying troops saying "Nationalised. Property of the Bolivians."

But a closer look at the decree shows that it was far from being a nationalisation of the oil and gas industry. It certainly wasn't the expropriation of the reserves, refineries, installations and infrastructure of the private oil and gas companies.

This had been the demand of those Bolivian workers and peasants who had taken to the streets in 2003 and 2005 to demand the takeover of these companies without any compensation given to the foreign firms.

The decree aimed to give the Bolivian state a majority, managing stake in the five companies that were once components of the Yacimientos Petrolíferos Fiscales Bolivianos (YPFB - Bolivia's state oil company) and had been previously privatised. The government was not about to do this through confiscations but rather through a series of renegotiated contracts and by buying back these companies.

But these five companies only represent some 10% of the total gas industry. The decree did not even plan for the nationalisation of the other parts of the oil and gas industry owned by the foreign transnationals. Instead it gave these private companies six months to renegotiate their contracts with the Bolivian state.

The decree also proposed increasing the Bolivian government's "take" from 50% in taxes and duties to 82%, but this was only to affect the two most productive fields, San Antonio and San Alberto.

Some commentators point out this is closer to the plan

favoured by the hated ex-President Sanchez de Lozada (who had to flee Bolivia in 2003) when he planned the privatisation of the oil industry. And some of these measures had already been put in place by the previous president, Carlos Mesa, in order to try and demobilise the revolutionary struggle of the workers and peasants from 2003 and 2005 - most notably the recreation of YPFB as a state company.

The aim of the government then was not to end the exploitation of Bolivia's natural resources by transnationals such as British Petroleum, Shell, Enron, Spain's Repsol and Brazil's Petrobras. Indeed, the Bolivian Vice-President Alvaro García-Linera, who has always insisted the aim of the MAS is to bring about a strong Andean capitalism, stated the limits of the "nationalisation" policy openly: "This is not an expropriation ... We simply want to know what they're doing and have a greater say in what they do." (*Miami Herald*, 2 May 2006)

The problem for the government is that even with this compromise neither of the two great main contestants in the battle for control over Bolivia will be satisfied. It does not satisfy the demand of the Bolivian masses that all the wealth from oil and gas is used to build infrastructure (roads, water and sewage plants, social services, schools, homes and hospitals), to create industry and jobs and to generally raise the majority of the population out of desperate poverty.

And as far as the governments of the US, UK and Spain are concerned any encroachment on the rights of their



HUANUNI

## “We miners are all socialists”

HIGH IN the Bolivian Altiplano, about four hours south of La Paz, the city of Huanuni is home to the biggest mine in the country. Five thousand miners labour inside it to extract its prized tin ore. The calm atmosphere on the streets belies the fact that six months ago, on 5 and 6 October, bloody fighting here left at least 14 people dead.

Everything in this city of 40,000 inhabitants revolves around the mine. That becomes clear with a glance at the central square; next to the statues of Simon Bolivar and various mayors there is also a likeness of Juan Lechin, the father of the Bolivian trade union movement. A bit further up is a monument of a simple miner, drill in hand.

The riches that are removed from the earth in three shifts – 24 hours a day – stand in sharp contrast to the poverty of the city. At 4,100m above sea level the nights are bitterly cold, but the small houses are heated only by wood ovens. The mine contaminates the river appallingly and in the piles of garbage on the banks, pigs – their bristly long hair gives them the appearance of dogs – sniff around for food. There is neither running water nor a sewage system, and this means not only that a terrible stench hovers over the whole city but that the infant mortality rate is around one in ten.

Last year 1,000 miners from the state mining corporation COMIBOL and 4,000 members of the mining cooperatives worked here. On October 5, roughly 400 cooperativists attacked the state-owned Posokoni mine shaft. In the ensuing battle 14 people died and over 100 were injured by dynamite or firearms. The state miners proved themselves very capable of defending their shaft.

In the weeks leading up to the fighting it became increasingly

clear that such a conflict was approaching. The state miners repeatedly asked the government to send troops, but Vice-President Garcia Linera simply answered “Hasta que haya muertos, voy a mandar un cajón” [Until there are deaths I won’t lift a finger]. Walter Villaroel, the minister of mines at the time and a representative of the cooperativists, was implicated in the attack and dismissed from his post the next day.

Now green-uniformed officers of the national police and the military police stand on every street corner in Huanuni. The government of the Movement towards Socialism (MAS) has withdrawn all concessions to the cooperatives and over 4,000 cooperativists have been integrated into the COMIBOL.

Edgar and Luis, quite young former cooperativists, find their new work situation better in every way.

“We suffered inhuman working conditions here” they say. A 16 hour day was no exception.

more interested in the welfare of the company than in the welfare of Bolivia.

Edgar and Luis had stopped off in Huanuni’s central square to buy a few books of Marx and Trotsky that a Marxist student from La Paz was offering on a small table. These ex-cooperativists quickly adapted the traditionally radical ideology of the miners’ union: “We miners are all socialists” they say with pride. However, when asked about their role in the fighting, their flowing speech breaks off. “That’s a long story.” They move on.

It was precisely the poorest cooperativists who were mobilised for the attack. Ana, a sociology student from La Paz who is looking at the fighting, recognises signs of the multinational mining companies manoeuvring behind the conflict. They had an interest in the cooperatives gaining a monopoly, so they could better enter the market themselves.

After the nationalisation of the mine roughly 700-800

### At 4,100m above sea level the nights are bitterly cold, but the small houses are heated only with wood ovens

because the cooperativists didn’t get a wage. They were simply paid a rate for the amount of ore they had removed from the earth themselves – minus a cut for the leaders of the cooperative, of course. “Now we have an eight hour day and a wage of 1,500 Bolivianos [about 150 Euros] per month.”

The two reflect that they used to be “like a small bourgeoisie”, since the cooperatives were based on “exploitation amongst colleagues.” They were therefore

cooperativists refused the transfer to the state company – of course these were the ones who earned the most. During a road blockade they killed a police officer, and they are probably also responsible for dynamite which exploded at a nearby primary school.

Daniel, a primary school teacher and leader of the local teachers’ union, even witnessed the tensions between children of “staters” and cooperativists in the local primary schools.

Continued on page 18



major capitalist corporations to make profits is dangerous and needs to be reversed as soon as possible. These governments and the corporations will use all means at their disposal – sabotage, intrigue and violence – to do this.

The Bolivian Congress ratified the new contracts signed with the major oil companies on 28 November 2006, but even these have yet to be put into practise. Meanwhile the Bolivian government has failed to get the YPFB to buy its controlling share of the previously privatised parts of the state company.

Morales said the nationalisation deals will bring Bolivia about \$1bn in revenue in 2007 and claims this could rise to \$4bn within four years – not a trifling amount for Bolivia whose GDP (PPP) is estimated at \$27.21bn. Indeed, this may be enough to allow Morales to spend some of this revenue on social reforms. However it is a drop in the ocean compared to what Bolivia could have if its natural resources were truly owned and controlled by the people. The gas reserves alone are valued between \$100bn –\$200bn and that value rises ten fold when the gas is processed and used to make products.

## A new Magna Carta

Shortly after coming to power Morales announced his intention to hold elections to a new constituent assembly (CA) to draft a new Magna Carta or Bill of Rights for the country. The elections to the CA on 2 July 2006 saw the MAS candidates gain a vote of more than 55%. Initially, Morales said that any newly drafted constitution would only need to win a simple majority of the CA votes, but then it would have to be ratified by the general population in a referendum where it would need to win two-thirds of the vote.

But this was not the agreement made with the Congress and it was the Congress that had convened the CA. The CA convened in August 2006 and is due to end its work in August this year. It was not long before the right wing opposition began to sabotage this attempt at restructuring power in Bolivian society. Using every means at its disposal the right wing has blocked or stalled progress in the CA.

The leading right wing opposition group Poder Democrático y Social (PODEMOS) demanded that the original agreement stood whereby a two-thirds majority in the CA was needed before any new constitution could be voted on in a referendum. This effectively blocks any radical measures, as PODEMOS and other right wing groups have more than one-third of the seats.

Many of Morales supporters and those in the popular peasant, indigenous and workers' organisations, could see that the CA as it existed was not the kind of national assembly that they had been hoping for.

It was not an assembly of the popular organisations meeting to discuss the question of how Bolivia should be governed. It would not put power into the hands of the workers' and peasants' organisations. The indigenous people would not see a major land reform agreed. And it was not going to be an assembly where the redistribution of wealth would be seriously discussed. It had become, in the



words of some MAS supporters, a "parallel Congress".

In early September, faced with this discontent from amongst his own supporters, and in an attempt to put pressure on the opposition to compromise, Morales called on the social movements to descend on Sucre where the CA meets.

For Morales such mobilisations are used to force concessions from the opposition. They are not designed to break the resistance of the right wing and the Bolivian ruling class and to take power out of their hands once and for all. So not surprisingly the right wing were not cowed by Morales' threat. The elite of Santa Cruz province, through its organisation, the Civic Committee, organised a day of lock-outs and road blockades in the four eastern provinces (Beni, Pando, Tarija and Santa Cruz) shortly after Morales' call, later in September.

These protests were repeated again in December. The Santa Cruz Civic Committee showed its real nature when it mobilised the Santa Cruz Youth Union to intimidate and attack anyone who opposed the day of action against the government.

The right wing were emboldened enough in October to encourage their supporters on the altiplano to launch a provocation against the miners in Huanuni [see "We miners are all socialists" – left].

By mid-February the government gave in to the right wing and accepted the demand for a two-thirds majority in the CA for any measures to go into the new constitution.

These Civic Committee leaders are the organising centre of the Bolivian counter-revolution. They have a youth wing, the UJC – the Santa Cruz Youth Union – which is a fascist force. On more than a few occasions these privileged and racist youth have attacked workers' and peasants'



demonstrations and road blockades, using batons, clubs and revolvers.

The Civic Committees are using their claim for more autonomy to press ahead with more mobilisations. Clearly these reactionaries do not rule out the option of declaring independence or even becoming a part of an enlarged fed-

eral Brazil. Doing either would enable this section of the ruling class to use the eastern provinces as a base from which to launch a counter-revolution or even ask outside countries to intervene militarily in Bolivia to "defend their rights". But in truth, this racist ruling elite only want to protect their privileges, their property and their profits.

## "We miners are all socialists"

Continued from page 16

"The working class needs its own strategy to create a workers' and peasants' government" he comments, as he stocks up on Marxist literature. He isn't a member of any political group, but his father and all his male relatives were miners. "That's why I have Marxism in my blood" he says.

José, who has worked for the COMIBOL for decades, complains at the book table that the ex-cooperativists have "no idea about politics". They have been corrupted by ideas that in the cooperative supposedly everything is shared, even though the worst exploitation is the norm. They were instilled with a deep hatred of the trade unions. For this reason he proposes that the book-selling

in the COB's national leadership, but in his office in the pink house that serves as the trade union headquarters, the small man with a missing front tooth makes a calm and quiet impression.

Last week elections took place in the Huanuni union. Even though the statutes require a two year membership, the ex-cooperativists were allowed to participate in the elections. Nevertheless, it was trade unionists who had worked for the state company for many years who were elected as the new leadership. Piece by piece the former petit bourgeois cooperativists are adopting the ideology of "revolutionary syndicalism" which forms the base of the Bolivian trade union movement.

Zubieta explains that this ideology is passed on inside the

systems" and "strive forward towards the seizure of power" – that's how Zubieta summarises revolutionary syndicalism. The murals in the assembly room next to his office are of a piece with this: a miner with broken chains raising a rifle in the air; an outline of the district Oruro with a hammer and sickle; portraits of Marx, Lenin and Trotsky.

The COB welcomed certain of the MAS government's measures, such as the nationalisation of the mine in Huanuni. However, they are generally critical of the government. Currently they are discussing the formation of a "political instrument of the workers", a kind of political party of the trade unions, because they don't trust any of the country's political parties [see p23].

This project was decided on at a COB congress in 2002, but it's dragging on – Zubieta claims that certain trade union leaders lack the will to risk a confrontation with the MAS government. But this week an enlarged leadership meeting of the COB will discuss how to bring the project forward so they can participate in the elections in 2008.

The COB is particularly critical of the fact that Morales' government talks a lot about the nationalisation of natural resources but little about the industrialisation of these resources. For 500 years raw materials have been removed from the ground below Bolivia, and this process has left behind nothing but bitter poverty. That is why it is so important to build up a local industry. Currently Bolivia is totally dependent on the prices its raw materials fetch, and Zubieta warns: "If the prices for tin on the world market fall, then we all fall!"

## For the trade unionists it's clear that demands for higher wages or better conditions aren't enough. One must "strive towards the seizure of power"

student visitor should offer weekly courses in Marxism – preferably on the radio. The miners' union FSMTB has for years run the "trade union voice of the Bolivian miners", the only radio station in Huanuni. Recently they also started a local TV station.

The integration of 4,000 ex-cooperativists in the trade union was very problematic, explains Miguel Zubieta, general secretary of the trade union federation (COB) for the surrounding district of Oruro. Zubieta is known across the country as a left wing extremist

trade union organisations and the miners' families themselves, rather than through formal classes. "Being a miner simply means being left wing, and people recognise this quickly". The workers identify with Marx, Lenin, Che Guevara (who's face forms part of the Logo of the COB in Oruro) and more recently with the project of "socialism of the 21st century" in Venezuela.

For the trade unionists it's clear that demands for higher wages or better working conditions aren't enough. One must "question the



They want to be left in peace to mistreat the indigenous populations as second class citizens and to deny to the rest of the Bolivian population the right to share in the riches. These provinces are rich in natural gas reserves and are where the large landowners – *latifundistas* – extract huge products from large scale farming, chiefly in soya and beef. The bottom line for them is that they would rather see Bolivia broken up than lose their wealth and power.

## Cochabamba – local dual power

As a result of these reactionary mobilisations the MAS and other popular organisations led protests against the prefects of these areas and also against those of the cities of La Paz and Cochabamba, who had declared their support for the secessionist movement in the east.

These were supposed to be controlled protests, only going as far as expressing support for the government. They were designed to give the government more power at the bargaining table when it negotiated with the reactionaries. But then on 8 January this year tens of thousands of workers and peasants besieging the city of Cochabamba were viciously attacked by the police and fascist gangs, including the UJC who, in a manner reminiscent of Mussolini's Fascists' march on Rome in 1922, had marched to the city from Santa Cruz to smash the workers' and peasants' mobilisation.

Two demonstrators were killed and in the aftermath the demand of the demonstrators changed from a referendum to remove Reyes Villa, the Cochabamba prefect, to a call for his immediate and unconditional removal. Reyes Villa fled to Santa Cruz fearing for his life. Unfortunately, the national organisations of workers and peasants did not return the favour to the UJC with interest and march on Santa Cruz to smash them and their paymasters – the civic committees. The racist rabble of the UJC would soon have scattered if faced with the steely determination of a detachment of the Bolivian revolutionary vanguard – especially if they were miners armed with dynamite!

When the people of Cochabamba convened an open assembly in the centre of the city Morales, asked his supporters to be patient and to work within the limits of democracy. But the decision of the initial assembly was to remove Reyes Villa. At a later assembly some leaders went along with the MAS government and argued for a constitutional solution. The peasants, workers and students who had fought against Reyes Villa were not satisfied with this and stormed a council meeting demanding that those present, a majority of whom were MAS leaders, immediately appoint another prefect.

## Can Morales hold back the tide?

The whole strategy of the MAS is to make reforms, retreat in the face of threats and intimidation from the reactionaries, organise controlled mobilisations and channel the anger of the masses into constitutional and peaceful channels, channels that were dug in the first place by the oligarchy.

But the example of Cochabamba shows how difficult it will be for Morales and the MAS to keep the organised workers and peasants on a leash. Of course, if Morales cannot do this job for the ruling class then they will seriously consider using direct repression. No doubt the armed forces' officer corps are already planning for such an event and seeking advice from Washington, while the civic committees of the eastern provinces will continue to mobilise the UJC fascist gangs to intimidate and disorganise the unity of the workers' movement.

The decision by the COB to organise a "political instrument" of the workers' movement is a welcome step [see p22]. Every worker, socialist and anti-capitalist around the world should follow these events closely. As Morales and the MAS begin to demonstrate time and again that they would rather negotiate, vacillate and compromise than implement the key demands of the popular masses, it will be critical that a revolutionary alternative is present in the mass movement.

The political instrument that the Bolivian workers and peasants urgently need is a revolutionary party that agitates for a government that will implement the key demands that can hasten a showdown with the right wing business elite and *latifundistas*:

- » For indigenous rights
- » Expropriate the landed estates, land to those that work it and organise voluntary co-operatives
- » Expropriate all oil and gas reserves and all exploration and refining companies without compensation
- » For a constituent assembly that will put power into the hands of the people – the workers, peasants and urban poor

A government of this kind will need to be controlled by the popular organisations, by councils of delegates from the assemblies of workers and peasants. It will need to

### LINKS

**Current and archive articles on Bolivia since the 1952 revolution:**

**Bolivia: Strategy and Tactics in Revolution 1952-1986:**

**a new and developing archive at [permanentrevolution.net](http://permanentrevolution.net)**

[www.permanentrevolution.net/?view=entry&entry=1282](http://www.permanentrevolution.net/?view=entry&entry=1282)

**Bolivia solidarity**

[www.boliviasec.org.uk/](http://www.boliviasec.org.uk/)

[www.bolivasolidarity.org/](http://www.bolivasolidarity.org/)

**For an interesting analysis of the way Bolivian gas reserves were privatised read: Turning gas into development in Bolivia**

[www.dollarsandsense.org/archives/2006/1106luomagordon.html](http://www.dollarsandsense.org/archives/2006/1106luomagordon.html)

**The Democracy Center Briefing on the "Nationalisation" Decree**

[www.democracyctr.org/bolivia/decreebrief.htm](http://www.democracyctr.org/bolivia/decreebrief.htm)

**President Evo Morales' gas and oil "nationalisation" decree – what are people saying about the decree?**

[www.democracyctr.org/bolivia/whatttheyaresaying.htm](http://www.democracyctr.org/bolivia/whatttheyaresaying.htm)

**For an insight into who the civic committees and the UJC really are see Upside Down World**

[upsideupworld.org/main/content/view/603/31/](http://upsideupworld.org/main/content/view/603/31/)



defend itself against the likes of the civic committees and their fascist gangs, as well as from the army and police, whose officers are secretly preparing for repression against the Bolivian people. To do this they must build armed self-defence organisations of the workers and peasants and centralise them into a national militia.

There are very likely to be further clashes in the coming months, particularly over the Congress-convened Constituent Assembly. The masses, whether the organised workers in the COB or the cocaleros in the peasants unions and supporters of the MAS, must ensure a permanent mass

encampment outside the CA to put pressure on the delegates and to deliberate over its work.

If the CA confirms the power of the current regime, the presidency, the congress and the senate and, critically the army and police, then there can never be a real change in the way that Bolivia is run.

The popular organisations must demand that the CA should be a real meeting place for the organisations of the ordinary people of Bolivia. If it does not then these organisation must immediately convene their own revolutionary constituent assembly.

#### INTERVIEW WITH FSTMB LEADER

## “Economic power remains in the hands of the oligarchy”

**Bolivia's miners continue to struggle for the nationalisation of the country's natural resources. Roberto Chavez, interviewed here by Wlodek Flakin, is general secretary of the miners' trade union federation of Bolivia (FSTMB).**

**WF:** The miners are considered the most combative union in Bolivia. Your emblem contains the slogan: “The emancipation of the working class can only be the act of the workers' themselves.” How does the union define itself politically?

**RC:** The history of trade unionism in the mines has been very rich because it has always pushed a revolutionary policy in this very important sector in our country. One cannot forget that since the 1952 revolution the miners have been the vanguard of the working class in our country. They have mobilised the vast majority of the Bolivian working class through the nexus that is the Bolivian Workers' Central (COB). The backbone of this institution is the miners' federation.

**WF:** Last October there were violent confrontations in Huanuni between the workers of the state mining corporation (COMIBOL) and mining cooperatives. What were the roots of this conflict?

**RC:** Being a miner from Huanuni

myself, I witnessed this conflict with anxiety and sadness, since much blood was shed. Now for the background. After the crisis in 1985 many mines were closed and more than 30,000 miners were thrown out onto the street. Some wanted to continue mining and formed cooperatives that somehow or other managed to survive during a period of low prices. Over the years some of these cooperatives developed into regular businesses. At the same time, some miners continued working for the state mining corporation, including in the Huanuni, where the biggest mineral reserves in the country are to be found. Sadly, there were economic and political interests behind this conflict. Cooperative mines enjoyed certain state concessions in Huanuni. But this sector wanted to take over an area of the mine that belongs to the state mining corporation, which employed more than a thousand workers, working with a technical leadership, an administration and a coherent extraction plan. The cooperative miners, seeing international prices rise, wanted to take over this mine by brute force.

The COMIBOL miners defended this area of the mine, which belongs to the state and to all Bolivians. They defended it with their blood and regrettably there were 14 deaths and more than 100

wounded. After these conflicts the miners of the Oruro district proposed structural solutions and the government accepted one of them. In Huanuni there are no longer any cooperatives – everything has been nationalised. The state company now has more than 5,000 workers. Around 4,000 ex-cooperative workers have become wage workers.

**WF:** Up the street the ministry for mines has a big poster that says: “Evo keeps his promises”, celebrating the nationalisations in Huanuni and other mines. How does the trade union see it?

**RC:** This process of change that the government of Evo Morales and MAS [the Movement towards Socialism – Morales' party] is pushing forward is not to be found in its programme. If the minister of mines and the MAS government push forward this process, it is because the people have forced them to.

In the October 2003 “gas war”, when the neoliberal government of Sanchez de Lozada was toppled because he tried to sell off our gas at very low prices to the USA and Chile, the workers produced an “October Agenda” which included the nationalisation of our natural resources.

At the time there was no popular leader other than Evo Morales and he won the last elections with more



than 50% of the vote. But the miners affiliated to the federation retain their class independence. We do not have a single political agreement with the MAS government. Why? Because the statutes of the miners do not allow us to have one; we have class independence. Nevertheless we are not going to remain quiet – no, we say that this government must fulfil the promises it made to the people, the October Agenda.

This does not mean to say that we, as miners, as leaders of the glorious federation, will make political compromises with the MAS. But we are going to force this government to comply with the promises it has made to the Bolivian people.

**WF:** Many times in the history of Bolivia columns of miners have marched to La Paz in order to fight the government, dynamite in hand. But this has not happened during the period of the Morales' government.

**RC:** Up to this point in time, no. We have not undertaken any great mobilisations since the downfall of the Lozada government.

**WF:** But there were also great protests against Carlos Mesa in June 2005.

**RC:** Mesa, being Lozada's vice-president, carried on with Lozada's policies. Now the Morales' government is moving in a leftward direction, perhaps in a socialist direction. The Bolivian people – and above all the miners – have to ask themselves: what system are we going to press for with our mobilisations? A statist system, a neoliberal one or a socialist system? The people do not want a neoliberal system. That is the system by which the ruling classes have sold off the country's riches for more than twenty years.

If Morales goes in a neoliberal direction then he will be faced with large mobilisations of all sectors and especially the miners. But at this point we are discussing, we are evaluating, we are analysing the policy that the government is putting forward with all the

problems that it contains. In our forums and congresses we are going to discuss what is necessary to ensure the government complies with our demands. Because if it does not, then we are left with no choice but to take to the streets once again.

But we do not want to play into the hands of the right. At this conjuncture every mobilisation against the policy of Evo Morales is exploited by the right. Following the elections of last year the government has political power but the economic power remains in the hands of the oligarchy. For this reason the miners must tread very carefully; we are going to make sure that the oligarchy does not return to power.

**WF:** Do you think the constituent assembly gives a possibility of restructuring the country?

**RC:** Hopefully. I hope that the constituent assembly discusses a new constitution that corresponds to the national interest. But the miners have always made clear

that we do not agree with the constituent assembly, not even with the way it was convened. We demanded that the convening must be inclusive, to assure the representation of the workers, in this case the COB. The social organisations must form part of this assembly.

Regrettably the convening was done through political parties and citizens' groups. This was a big mistake, for this means that the constituent assembly is made up of people who have always held power. They are the traditional parties. They say they are citizens' associations, but in fact they are politicians, employers, even priests who have always propped up the dominant powers. Surely they are going to propose a constitution that corresponds to the interests of these oligarchic groups.

I wish that the members of the constituent assembly had been elected by the people, to discuss, debate and draw up a constitution that corresponds to socialism.

## THE HIGH ONE

# The workers of El Alto

"EL ALTO" means "The High One" in Spanish, but also "The Stop". Both meanings are appropriate for the city El Alto, about 400 meters above the Bolivian capital La Paz – more than 4,100 above sea level. "The Stop" is one of the most militant cities in the world, whose residents regularly organise strikes, blockades and street battles with the state forces.

On 11-13 April the El Alto Regional Workers' Centre (the umbrella organisation of local trade unions – COR) held an "organic" congress to change the statutes and integrate new trade unions. The working class in the world's highest slum is beginning to organise itself.

The roughly 800,000 *alteños* are mainly migrants who came from the Altiplano, the high plains around La Paz, looking for work.

The former farmers are almost all indigenous people who speak the traditional Aymara language.

Most people in El Alto sell things from small market stalls or work in the informal sector. It's no coincidence that El Alto hosts the "Feria del 16 de julio", the biggest market in Latin America and perhaps the world.

In the last few years, local industry has developed using the readily available cheap labour. Small factories and workshops with from a few dozen to a few hundred workers have sprung up producing textiles and jewellery for export directly to the USA. Current estimates put the number of salaried workers in El Alto at 100,000, and this number is increasing. But the workers are very badly organised. The COR is



still mostly composed of so-called gremiales – market sellers, who are very poor but own their own stalls and products and are therefore not proletarians.

### The new trade unions

Two years ago, a new, fighting trade union was formed at the La Paz international airport in the middle of El Alto. The 150 workers at the security checkpoints and on the tarmac are employed by the Spanish airport

at a holiday parade they handed a letter to Morales and spoke with MPs from the governing party. The results were disappointing; one TEA worker said of these representatives “They get more than US\$1,000 a month but they can’t spare five bolivianos for the strike fund!”

The workers drew attention to their struggle with public protests in front of the parliament and the university in La Paz, supported by left wing activists and artists of El Alto’s hiphop scene. In the end they received a small compensation payment, but couldn’t prevent the

– unlike all other cities in Latin America, the rich live down below, where the view is nothing special but the air contains more oxygen!

The city began as a few houses next to the airport, but in the eighties and nineties mine closures and the US war on the coca plant led to mass displacements in Bolivia. Now El Alto is considered the fastest-growing city in Latin America, constantly moving and constantly changing. And the coca farmers and miners brought their traditions of struggle with them. “El Alto on its feet, never on its knees!” is a battle cry every Bolivian police officer knows and fears.

During the “gas war” in October 2003 the alteños cut La Paz off from the outside world for weeks. A military convoy used to provide the capital with gasoline met with stiff resistance and left numerous dead in its wake. The victims of this “convoy of death” are still remembered by those demanding the full nationalisation of the country’s gas resources.

And there is huge potential for struggle around this demand. The still-popular Morales government came to power promising nationalisation without compensation but has limited itself to negotiating new contracts with the multinationals. Thus, on the freezing Altiplano – in the country with the biggest gas reserves in the continent – gas shortages are common.

Up till now, protests were organised through neighborhood committees. However, around ten new trade unions joined the COR at its congress. The COR still principally represents the market sellers and waged workers are often badly under-represented. Now activists have forced its recent organic congress to change the statutes and improve representation.

And so the working class of El Alto takes its first steps onto the political stage. During the next social crisis – and given the the instability of the Morales government that is only a question of time – the alteño proletariat will surely play a significant role.

## The coca farmers and miners brought their traditions of struggle with them. “El Alto on its feet, never on its knees!” is a cry every Bolivian police officer fears

management company SABSA. A few “troublemakers” – former miners with their strong syndicalist traditions – wanted to set up a new trade union and started talking clandestinely to their colleagues. Three organisers were fired but noisy protests in the departure hall – including posters in every conceivable language – helped to force SABSA to recognise the union and make payments to the entire staff of 45,000 bolivianos (over £3,000) for unpaid overtime. Now SITRABSABSA – the SABSA workers union – serves as a model for the further organisation in El Alto.

TEA was a small workshop with about ninety workers producing gold chains for export to the USA. When the Morales government published a decree on 1 May 2006 guaranteeing the right to trade union organisation, the employees of TEA decided to do something about the miserable working conditions some of them had endured for years. With the help of the trade unionists from SABSA they formed their own union – and all ninety of them were promptly fired. They got no support from the COR so they appealed to the President. In a provocative stunt

sackings and the workshop closure. However, the workers were left with increased self-confidence and a strong feeling of disappointment with Evo Morales.

These new unions are radical, even by El Alto standards. Although a survey a few weeks ago showed that 88% of the alteños are satisfied with the work of Evo Morales the many workers are having a different experience with this government and are increasingly distancing themselves from it.

### The city and its history

El Alto is an enormous sprawl perched on the rim of a volcanic crater in which nestles the capital, La Paz. The contrast between the two could hardly be greater. In La Paz, every street curves and winds up or down the valley; El Alto is a flat grid. La Paz is home to fine old colonial buildings; the houses in El Alto, made of cement blocks and adobe bricks, were all built in the last ten or twenty years – 60% of them without a permit or the rights to the property. El Alto’s evident poverty stands in sharp contrast to the fantastic vistas of La Paz



## THE STRUGGLE FOR A POLITICAL INSTRUMENT

# A party of the Bolivian workers

THE UMBRELLA organisation of the Bolivian trade unions (COB) is preparing to found its own political party. The formation, which will be called the Political Instrument of the Workers (IPT), is to participate in the presidential elections in 2008.

Pedro Montes, general secretary of the COB, explained the project after an expanded leadership meeting last week in the city of Oruro: "We can't trust any of the political parties, and therefore a political instrument of the workers is urgent." For weeks he has been travelling through the country and meeting different trade union bodies to "socialise" the project on the base. The IPT should be an "expression of the ideology and the mobilisation of the workers, and the people in general, to struggle until the neoliberal and capitalist model dominant in this country is liquidated."

The left wing government of Evo Morales and the Movement towards Socialism (MAS) won the elections last year with more than 50% of votes and in the poorest regions of the country enjoys up to 90% support. But the trade unions accuse Morales of not sticking to the "Agenda of October 2003"; instead of full nationalisation of the natural resources without compensation there have been new contracts with the multinational companies to secure higher tax revenue for the state. An independent political party is, according to Montes, "the only guarantee that the workers can liquidate neoliberalism. The government will never do that

because of its sectoral obligations."

Why call it a "political instrument" and not simply a "party"? There is a deep mistrust of political parties amongst the organised workers; neither the three major parties that ruled Bolivia in the "twenty neoliberal years" after 1985, nor the left wing alliance UDP which was in power from 1982 to 1985, brought anything but privatisations, mass firing and wage cuts for the workers. The COB membership – and especially the most radical part, the miners – are syndicalists and don't want to hear anything about political parties. The term "instrument" is supposed to make the project acceptable. The governing party MAS is officially called "Political Instrument for the Sovereignty of the Peoples".

But the formation of the IPT drags on. It was decided at the 13th congress of the COB in 2002. During the insurrections in October 2003 and June-July 2005 numerous trade union leaders pointed out that the protestors could have seized political power – but they lacked a political instrument, that is, a revolutionary party. Because such a formation was lacking, these trade union leaders indirectly supported Evo Morales or even played with the idea of a "civil-military uprising" (a putsch by left wing officers according to the model of Hugo Chavez).

In the two years since the insurrections, the trade unions have done little to get the IPT project going. Miguel Zubieta, general secretary of the COB in

the district of Oruro and the most left wing figure in the COB leadership, blames this on the lack of will of the trade union leaders: "They don't want a workers' party because they are connected to the MAS or some other party". He is also of the opinion that such a party cannot emerge overnight: "That would be just another trash party". For him, the IPT is essential to transform the Bolivian workers' movement into a political subject, "from a class in itself to a class for itself", he says in classically Marxist style.

The COB leadership also recently proclaimed in a document that "the trade union struggle has proven insufficient in the national history to reach the goal of a better country, with equality, without exclusions, with fair salaries and a sovereign and independent nation."

Javo, a Trotskyist activist from the Revolutionary Workers League for the Fourth International (LORCI), participated in the long struggles for the IPT. "There was even a huge fight over the name" he remembers. "The trade union bureaucracy wanted to call it the Broad Front of People's Unity." The Trotskyists were able to win this fight, but there was little other progress.

The LORCI became so impatient that they began to collect signatures for an electoral project, the Workers' Voice list, but they are prepared to withdraw this list in favour of the IPT, because it would be the first mass party of the working class in the history of Bolivia.



## POLEMIC

# A tonic for the troops?

## A critical response to Martin Smith's "The state of the working class"

IN HIS article, "The state of the working class" (ISJ 113, winter 2007), Martin Smith's principal stated aim is to refute "... the 'common sense' argument that the traditional working class in Britain is in terminal decline and is being replaced by a low paid, unorganised, part-time, casualised workforce based in the service sector." (p49)

Smith says that this assertion rests on "... two main assumptions. First is the decline in all major capitalist countries of manufacturing industries. The second argument, and one promoted by the likes of New Labour, Polly Toynbee and Will Hutton, is that the majority of people in Britain are now home owning, white collar and middle class." (p49)

He adds: "Toynbee believes that the growth of the service sector means workers do not have the economic power or the industrial muscle that their forefathers had. The politics underpinning this assumption is Margaret Thatcher's and subsequently Tony Blair's belief that we live in a 'classless society'." (p49/50)

Martin Smith is quite right in wanting to refute this standpoint. The politics of Toynbee – however much she may criticise Blair for his shortcomings in dealing with poverty – are based on a rejection of class struggle as essential for achieving social change. Her politics are those of a latter-day Fabian, who reserves far more vitriol in her *Guardian* columns for the likes of Bob Crow than for David Cameron. She wants to paint the working class out

of the picture because she prefers parliamentary lobbying to strike action.

But to refute the arguments advanced by Toynbee and others, and to seriously address the "common sense" notion that the traditional working class is no more, we must not downplay the very real changes that have taken place inside the British working class over the last two decades. Unfortunately, this is precisely what Smith does throughout his article.

### A re-shaped working class

The fatal flaw in Martin Smith's argument – and it stands in a long line of analyses from the Socialist Workers Party (SWP) going right back to a Chris Harman article, "The working class after the recession" from 1987 – is that it downplays the real changes that have taken place and the impact of those changes on working class organisation.

Smith consistently understates the gravity of the situation by failing to take adequate account of:

- ▶ the structural transformation of the workforce that has occurred
- ▶ the associated weakening of class-based organisation in the workplace
- ▶ the increased stratification within the working class



*In a recent issue of International Socialism Journal Martin Smith assesses the state of the contemporary working class movement in Britain. Bill Jefferies and Mark Hoskisson take issue with an argument that seriously underestimates the importance of the changes that have occurred within the working class over the last thirty years*

itself in terms of income and living standards, and the changed balance of forces within the labour movement between the trade union bureaucracy and the militant layers within the rank and file.

Virtually all the nations of the advanced capitalist world have seen dramatic restructuring of their workforces since the 1970s, with Britain being one of the more extreme examples. The decline in manufacturing, the changed sectoral and geographical concentrations of what remains, and the disappearance of whole sectors of the workforce – such as the miners – as significant components of the working class have had a profound impact both on the shape of the class itself and on class struggle in Britain.

These developments, themselves products of working class defeats, most crucially the Great Miners' Strike of 1984/85, have changed the shape and structural location of the working class and have also had a lasting negative impact on the trade unions.

We, as revolutionary socialists, face a fundamentally different situation to the one we faced in the 1970s and 80s; a situation which poses new tasks, ranging from organising workers who have never been organised through to rebuilding the rank and file strength of those who have remained unionised.

Over the past two decades many of the major unions have adopted a strategy of partnership with the bosses and the provision of individual membership services at

the expense of organising new sectors and building their base organisations. The growth of what was once dubbed “new realism” into the overarching approach of the dominant wing of the TUC bureaucracy cannot really be understood without considering the impact of defeats and the restructuring of the class.

However, Smith brushes over the momentous transformation that has taken place inside the British working class since the 1970s. He wants to prove the continued centrality of a declining manufacturing workforce and seeks to downplay the significance of the development of a service sector with low rates of unionisation and very limited traditions of collective struggle.

### **Classes and their divisions**

Smith quotes Marx to define the working class as “a class of labourers, who must sell themselves piecemeal, are a commodity, like every other article of commerce.” In other words class in capitalist society is determined by the ownership or non-ownership of the means of production. Capitalists own the means of production whereas workers are free in the double sense; free to sell their labour power and free from the ownership of the means of production.

But Smith says: “However, today the structure of capitalist society is more complicated than simply being divided into two diametrically opposed classes – the ruling class and the working class. There is a substantial ‘middle class’ in Britain. Sociologists claim it represents about 15 to 20 percent of the population – foremen, low grade managers, doctors, head teachers, etc.” This middle class faces contradictory pressures: “their wealth and social position mean that they buy into the system; on the other hand, because they sell their labour power they too can find themselves in conflict with the system . . .” (p50-51)

For sections of the so called middle class “buying into” the system is not subjective, but rather objective. As managers who control significant elements of the labour process they act, in certain respects, as a proxy for the capitalist, especially where they discipline other workers and effectively hire and fire. They are rewarded accordingly, receiving higher pay levels than ordinary “employees”. Yet as non-owners of the means of production, they too can be subjected to the vagaries of the capitalist owners.

Other sections of what the sociologists call the “middle class” are indeed merely well paid workers, who have a lifestyle that goes along with their income. Smith does not want to recognise this group, who Marxists have traditionally called the labour aristocracy. He states: “Marxists reject the popular notion that what defines your class background has something to do with your lifestyle, income, accent or how you feel about your class position.” (p51)

He is only partly right, since the working class has long been a complex mosaic in terms ethnicity, gender and cultural preferences. Lifestyle under capitalism is in no small measure determined by the role played in the production process. This structural role and the associated income often have a profound effect on perception both



of class position and how best to advance it. They form the very basis for the existence of sections of the "middle class" Smith has just described.

As we shall see later, Smith is by no means consistent in excluding these trappings of class position from his analysis. His approach follows a key aspect of the SWP's traditional analysis of class – specifically their rejection of the concept of a "labour aristocracy" inside the working class, an analysis which dates back to the writings of Marx and Engels themselves. In so doing Smith pre-

### **Engels wrongly expected that the ending of Britain's monopoly of India would mean the ending of the privileges enjoyed by the labour aristocracy and the return of socialism to Britain**

serves the SWP's wrong approach to the class struggle itself. By denying the importance of such divisions, the SWP's crude "struggle itself will unify the class" maxim becomes universally applicable. Struggle – and sexism will go away. Struggle – and craftism will go away. Struggle – and racism will go away.

This is both crude and false. Of course struggle is a starting point for uniting the class, but in itself it has to be combined with a fight to transform consciousness. This requires a political strategy – a programme – that addresses the real basis of sexism, racism and craftism and so on.

It addresses the material reality of these divisions and has to be fought for inside the working class in order to transform consciousness. Struggle alone does not achieve this, even though it opens the way towards achieving it. Politics is needed, communist politics, fought for by a communist party.

The refusal to embrace such a programme is enshrined in the SWP's political method and it stems, in part, from their refusal to acknowledge the existence of a labour aristocracy. Yet the existence of such an aristocracy of labour is crucial for understanding why many of the divisions in the class exist and how to overcome them.

#### **The aristocracy of labour**

In addition to the middle class, namely the stratum of managers that developed alongside the growth and concentration of production in the late 19th century, there grew up another layer which Engels labelled the "aristocracy of labour". This was a stratum of workers who had been for the moment "bought off", so to speak, by the bosses. They were in highly skilled, relatively secure and so privileged jobs, earning significantly higher wages than the average worker. In the 1970s among manual workers they were personified by sections of the engineering workforce or

the Fleet Street printers, who suffered a vicious reminder of how precarious such privileges were amid the Wapping dispute of 1986/87.

Smith himself describes, but does not recognise, just such a representative of the labour aristocracy: "I once saw an exhibition at the now closed Labour History Museum in east London. It had a display of two photographs of a boilermaker in east London. In one photograph taken in 1886 he is standing there surrounded by apprentices, looking like a 'middle class gentleman'. In the second, dated 1900, he is wearing a boiler suit with a union badge pinned on it, surrounded by a dozen men who look just like him. The transformation was down to two things, the deskilling of his job and the New Unionism strike wave that hit the country in 1889."

Smith simply fails to mention that these workers' privileges were dependent on the fortunes of capitalism itself. A crisis for the system produced an attack on the labour aristocracy and the "middle class gentleman" was thrown back into his class with an almighty thud. The point is, however, that this did not stop him from actually being a labour aristocrat during the period of boom and being part of the mass social base of the Liberal Party. In a sense, it was a different person, occupying quite different positions, albeit within the working class, in the two photographs. Denying this stratification disarms Smith from understanding the reality of the working class and, more importantly, the material roots for reformist ideology within the class.

Engels wrongly expected that the ending of Britain's monopoly of India would mean the ending of the privileges enjoyed by the labour aristocracy and the return of "socialism" to Britain. What he had not anticipated, and what Lenin explained in his work on imperialism, was how British capitalism in the mid-to-late 19th century anticipated the creation of a whole new epoch of imperialism across world capitalism, from around the turn of the 20th century onwards. The superprofits generated by this imperialist system enabled the capitalists to buy off middle class and labour aristocratic layers, in exactly the fashion that Engels and Marx had earlier described.

This in turn led to the evolution of a very strong reformist trend within the labour movement, probably stronger in Britain than anywhere else at the time, giving rise to the Labour Party. And the crucial point of understanding the significance of this for today is that the working class is still divided. Britain's imperialist wealth is still used to pay for the privileges of a labour aristocracy, even if its composition has changed quite markedly over the ensuing decades. The results of those changes require further empirical consideration beyond the scope of this article, but in the meantime we can still make some general observations.

These aristocratic layers still form a powerful force for reformism within the labour movement. Indeed this layer, the better paid and more highly skilled white collar workers and many skilled workers in manufacturing, who barely gain a mention in Smith's commentary, remain the core supporters of New Labour, along with sections of the middle class. And Britain's uneven but



undeniable boom over the past ten or so years has so far retained their support.

## Decline of militancy

It is in the context of understanding this stratification in the working class that we have to view the decline of the most militant sectors of the past – principally in mining and manufacturing – and understand why the balance of class forces is tilted in favour of the bosses and why within the unions the reformist bureaucrats are able to contain the potential militancy of the new workers in the service sector.

Smith does acknowledge the decline in British manufacturing today but he minimises its significance. In examining the decline from 1978-2005 he complacently concludes: "This decline in the numbers of workers involved in manufacturing was going on throughout the 20th century." (p53) Warming to his theme that these changes are just part of the continual changes in capitalist industry, he lambasts those who view the working class through the prism of the 1950s: "They therefore conclude that because the number of miners in Britain in the 1950s was 600,000 and today it stands at less than 4,000 the working class is in decline."

This ignores the real blow to the working class, the defeat of the miners in the mid-1980s. The really significant statistic is the fact that 180,000 miners went into the 84/85 strike and now only 4,000 remain. Smith does not even seem to acknowledge the political significance of the destruction of the NUM, a union that was the vanguard of the working class in the 1970s and 80s, a very political and militant union that had brought down the Heath government through its actions, a union other militant unions looked to for leadership.

Even the assertion that the decline of manufacturing workers over the last two decades is just part of a century long process does not stand up to empirical scrutiny. In fact, the proportion of the British workforce employed in manufacturing probably peaked around 35 percent in the mid-1960s with a more or less secular decline only over the past four decades. For example, Liverpool or to be more exact the Merseyside conurbation, had long been a blue collar bastion, but the emergence of a large factory-based working class in the area was a post-World War Two phenomenon.

Similarly, this comment misses the enormous importance of the rise of Fordism from the late 1920s and 30s, with the creation of huge manufacturing complexes with thousands of workers, usually on the edge of large cities (for example, Dagenham in East London, Fort Dunlop and Longbridge in Birmingham and Halewood on Merseyside) and its eventual decline from the 1980s.

Following the defeats inflicted on the working class through the 1970s and 80s, job growth has been overwhelmingly in the so-called service sector, with a high proportion labeled as white collar. According to a graph reproduced by Smith (p54), the numbers of both men and women employed in the service sector accelerates sharply from the mid-1980s onwards, following the defeat of the

Great Miners' Strike in 1985. Smith attempts to downplay the significance of this decline. He says: "To put this in perspective, one out of seven of the British workforce is employed in the manufacturing sector." (p53)

He also points to the rising productivity of those remaining manufacturing workers. Smith claims that this means, "Each worker is more productive and consequently more powerful." He takes the example of the car industry: "At the height of UK car production in the 1970s Britain produced about 1.7 million cars a year. By 2005 it had only fallen to 1.6 million a year. New technology means that one car worker can produce eight times what their predecessors could thirty years before." (p53)

But why does it follow that because a worker is more productive they are more powerful? How is the power of the manufacturing worker improved by making him or her work harder, in smaller plants, with fewer workmates? At best this is potential power to which he refers, but what Smith conveniently ignores in his polemic is that those workers still left in the industry are most probably working significantly harder. In short, the rise in car industry output per worker reflects not just advances in productive technique but an intensification of the labour process, a symptom of the decline of union power to prevent it.

He also glosses over the fact that tens of thousands of unionised jobs have disappeared from the industry with barely a fight in recent years. This reflects not just the bankruptcy of bureaucratic strategies which failed to effectively oppose plant closures at Jaguar, Peugeot and Rover, but the state of stewards' organisation and rank and file morale in the factories themselves.

Smith himself goes on to point out that the proportion of the private sector workforce that is unionised (union density) is now below one-fifth – a mere 19 percent according to higher range estimates. In stark contrast, overall union density at the dawn of the Thatcher years stood at 54 percent. According to a speech given by labour lawyer John Hendy at the November 2006 "Organising Fighting Trade Unions Conference", the proportion of the total

## Even the assertion that the decline of manufacturing workers over the last two decades is part of a century long process does not stand up to empirical scrutiny

British workforce covered by collective bargaining agreements had slumped even more dramatically from more than three-quarters at the end of the 1970s to little more than a third by 2005.

In the 1970s there were mass strikes. Smith's own brief comparison of strike figures demonstrates this. The working class, as an organised force, was so feared back then that the ruling class considered many extreme options in order to try and defeat it, culminating in Thatcherism from the start of the 1980s.

Today strike figures are very low. In the 1970s the official



calculation of the number of days lost to the employers through strike action regularly ran into millions. In the current decade only one year saw the total exceed one million (2002). Despite the massive one-day strike by local government workers on 28 March 2006 in defence of their pension scheme, the total number of working days lost through strikes was still only 755,000.

Militancy, as almost any union activist will tell you, is sporadic rather than typical. In general, unions are poorly organised at the workplace level and where they do exist they frequently operate de facto no strike deals with the bosses. The one day strike is the norm where action does

or a Barbie doll, but downplays the significance of the shift towards these low-skilled, service sector jobs with their insecurity, part time and temporary working.

Smith cites evidence to show that the proportion of the workforce in temporary work was, 6% in 1992, 7.5% in 1997 and 5.5% in 1999, and uses this to suggest that insecurity is therefore not as widespread as many believe. But this is not the real measure of security. Workers may not be on temporary contracts, but the decline in union power has meant that collective agreements no longer prevent employers sacking them at any moment. Temporary contracts are mainly necessary in those sectors where unions act to protect workers on permanent contracts, principally the public sector, where agency workers with virtually no legal rights are now widespread. Where unions are not present, aggressive bosses are free to sack their workers irrespective of whether their contracts are temporary or permanent. This is the material basis of insecurity, not the legal status of the job contract.

In addition to dismissing temporary work as a rather unimportant element in the reshaping of the working class, Smith pays little heed to the dramatic growth in part time work. The large scale Workplace Employment Relations Survey for 2004 suggested that there are part timers working in more than 80 percent of workplaces, a rise of four percent in six years. In 30 percent of all workplaces more than half of all workers were part time, while women workers accounted for virtually all part timers in 44 percent of those workplaces with part time employees.

None of this is to suggest that it is somehow impossible to organise part time workers or those on temporary contracts, but it does highlight the challenges we face in rebuilding a trade union movement that, at best, has just about stopped its decline. The growth in part time working is part of a deepening stratification within the working class, with part time workers having some new legal protections but still faced with a far greater likelihood of low pay and limited job-related benefits beyond what the law requires. This reality is often linked to gender and increasingly to immigration status, a question Smith does touch on, but without advancing much more than some encouraging local examples of successes in organising contract cleaners working in London's citadels of finance capital.

The atomisation of a substantial proportion of the working class, associated with the rise of largely unorganised service sector jobs, has had a serious effect in compounding the impact of the defeats inflicted on the workers' movement in the 1980s. It is a serious, objective factor standing in the way of militants working to rebuild working class strength.

Indeed, contradicting his own thesis about things being much the same for workers, Smith himself points out that: "As many as seven million workers in the UK earn less than £6.50 per hour and a third have no pension provision. Two in five workers work more than 40 hours a week (twice as high as all major European countries). And three out of five workers fear losing their jobs. Insecurity, long hours and low pay are endemic in British society."

### **From Smith's own analysis there is strong evidence that the manufacturing working class is in sharp numerical decline and it has indeed been replaced by a massive growth of workers in the service sector**

take place, while the all out strike is regarded as a fanciful demand of the far left, who have "no understanding" of where we are at.

The reason for all of this has nothing to do with what workers wear (a particular obsession of Smith's in this article). It is because the working class has changed as a result of defeats. Notions of solidarity and militancy that could once be taken for granted, now have to be argued for by a militant minority, by the revolutionaries, often against fellow workmates and not just bureaucrats.

Understanding these changes is key to understanding our tasks. To say, as Smith does, that because workers produce more they are more powerful and that one day they will exercise that power through an explosion of militancy, is like a child whistling in the dark to keep up their spirits. It means waiting around in the hope of the spontaneous struggle reasserting itself when the key tasks are to rebuild the sentiments for class struggle and class independence amongst the new layers of workers, to prepare for and build the organisation that can detonate that explosion of militancy.

### **Insecurity and part time working**

From Smith's own analysis there is then strong evidence that the manufacturing working class is in very sharp numerical decline and it has indeed been replaced by a massive growth of workers in the service sector. Smith demonstrates that white collar work is mostly mundane, routine, boring and low paid.

Smith points to the growth of the number of women workers as a proportion of the white collar working class, and shows that service sector workers include many traditional sectors like transport and dockers. He compares a McDonalds Big Mac flipper with a worker making a tank



But he obstinately refuses to draw the right conclusions from this observation.

## Trade union decline . . . political radicalisation?

Smith can try to downplay the significance of the decline of the manufacturing sector for the overall strength of the British working class, he can ignore or bypass the existence of a labour aristocracy, he can set aside the impact of the growth of the insecure service sector jobs – but he cannot ignore the decline in the British trade union movement.

As he says, trade union membership stood at “6.8m in the autumn of 2004, a decrease of 36,000 on the previous year . . . Likewise the level of class struggle remains very low. In 2004 there were 905,000 strike days in the UK, twice the number in 2003 . . . but considerably lower than the average for both the 1980s (7.2m) and the 1970s (12.9m).” Even here in using the figures for 2004 Smith wants to forget 2005 with just 158,000 days.

Smith wants to argue that this decline in trade union action over “bread and butter” issues has been offset by a politicisation of the working class movement, “the deepest political radicalisation seen in society for decades” (p69). For Smith, the anti-war movement from around 2002 has led to “the radicalisation of the political culture inside the union movement” (p66). In addition it has “galvanised” the opposition to Tony Blair and seen two unions (RMT and FBU) disaffiliate from the Labour Party. Smith predictably cites the 1,000 or so present at the Respect-organised trade union conference in November 2005 as further evidence of the political radicalisation.

The plans to invade Iraq in 2002-03 certainly created a mass popular movement in Britain opposed to the war. The two million on the streets on 15 February 2003 represented a vast coalition of working class and middle class people, some opposed to a war under any circumstances, others who would have supported it if the UN had sanctioned it. It was unquestionably a major radicalisation of British politics.

Yet the impact of the Stop The War Coalition (STWC) inside the trade union movement was much less dramatic. The failure of British history’s biggest ever protest movement to translate into significant action by the labour movement against war was an indication of the weakness, both ideological and organisational, of the working class vanguard. Very few took any action when the invasion began a month later.

The unwillingness or inability of union leaders allied to the STWC to call or organise any significant strike action against the war was a product of the combined effects of defeat, structural change and the repressive legal framework for industrial class conflict that is the Thatcherite legacy. It was also evidence of the strength of the trade union officials over rank and file militants, since the former were determined to confine union protest to rhetorical gestures. In fact so little faith did the SWP leadership have in the impact of the “political radicalisation” on the unions at the time that it made no

attempt itself to try and organise such anti-war actions at a rank and file level.

The ability of the bureaucracy to stifle action against a deeply unpopular war is further evidence that the deck is more heavily stacked against the lay activist and rank and file militant than at any time in the past fifty years. Indeed, the refusal of those union leaders to challenge Blair at the height of the crisis indicated that they were able to call the shots, save Blair’s skin, and get away with it.

Smith glosses over another point in his assessment of political radicalisation; there has been no discernable shift away from reformism towards far left or revolutionary politics. Neither the union disaffiliations, the development of the SSP, nor the modest electoral successes of Respect have resulted in forces moving beyond left reformism. That is why, in the case of Respect, the SWP took the lead in diluting specifically working class politics into a broad populism, and one that has involved backward compromises on democratic rights and secularism. Finally, there has been no meaningful uplift in membership of far left parties, even though many one-off NGO-type campaigns have attracted greater support since the advent of the anti-capitalist movement. Indeed the far left is smaller now than at any time since the early 1970s.

The political radicalisation which Smith thinks is compensation for the continued absence of an upsurge of workplace militancy has certainly led to large demonstrations but it did not change the course of events, either in society at large or inside the trade union movement. It did not even lead to a major resurgence of the SWP. Surely if political radicalisation had been as far-reaching as Smith suggests then his own organisation would have grown. But as many within its ranks freely admit – it hasn’t.

There are times in Smith’s article when one suspects that it is meant as a tonic for the SWP’s own membership, and that the real targets of the polemic are not Toynbee, Hutton et al but real or potential dissidents in the SWP

**The political radicalisation which Smith thinks is compensation for the continued absence of an upsurge of workplace militancy led to large demonstrations but did not change the course of events**

who were asking questions along the lines posed by John Molyneux in his candidacy for the national leadership in 2005.

There is clearly a significant layer of SWP members for whom the “every cloud has a silver lining” analysis advanced by Smith does not match reality and who recognise that repeated predictions of a dramatic upsurge in class struggle have not materialised during a decade of New Labour. Whatever our disagreements with Molyneux’s own answers, he has raised important issues regarding the impact of the upturn on British capitalism’s fortunes



– which has been able to sustain real wage increases for the vast majority of those in full time work – and the lingering impact of working class defeats in the run-up to Blair's 1997 victory.

Smith says that, "The pattern of industrial disputes over the past few years has been shaped by both the new militancy and a lack of confidence which is a product of years of defeat." But it has not been shaped by those factors alone. It has also been moulded by the profound changes to the objective existence of the working class today, which Smith has been at such pains to downplay throughout his article. Smith says: "It is pointless trying to predict the outcome of these strikes [PCS etc], or their ability to generalise. The key is for socialists to get involved and support them."

But it is not futile. By predicting the outcome of these strikes, by making an assessment of the objective situation of the British working class, how it has changed, how these changes effect the possibilities for action within it, the strategy of socialists, socialists will be able to plan their activity with a view to helping workers who want to rebuild and transform the labour movement.

As a matter of basic solidarity, socialists get involved and give immediate practical support to these disputes – but what will we fight for, what will we do when we are involved, how will we support them with a strategy and actions that can help them win?

### **But the SWP's current leadership seem to be seeking solace (or justification) in a conflation of a nebulous "political trade unionism" and the once enormous, but now shrunken, anti-war movement**

Smith goes from a very selective use of statistics to mere wishful thinking: "The question being posed is how do the unions recover? Just approaching the trade union question from the level of class struggle will not do. There are many who judge the revival in trade unions purely on the basis of the number of strikes, membership levels and density of membership. These statistics are an important tool, but they present a static and two dimensional view of what is going on."

In the days of the late Tony Cliff's leadership of the SWP, statistics on strikes, union and steward density, and the like were regarded as crucial to assessing the strength of the working class and the future direction of the class struggle. Perhaps they were emphasised too much but he was correct to use them as a starting point. As Trotsky said, if you want to measure the level of class

#### **LINKS**

**Permanent Revolution's arguments for the Respect Trade Union Conference and the RMT's shop stewards**

**"Rebuilding the unions fighting strength" conference:**  
[www.permanentrevolution.net/?view=entry&entry=890](http://www.permanentrevolution.net/?view=entry&entry=890)

**Permanent Revolution's review of The Awkward Squad, New Labour and the Rank and File, by Martin Smith:**  
[www.permanentrevolution.net/?view=entry&entry=729](http://www.permanentrevolution.net/?view=entry&entry=729)

consciousness you have one objective measurement to start with, namely, the nature and combativity of working class organisation. The presence or absence of trade unions, their combativity and strike figures, the rise and fall in membership of left political parties, the creation or destruction of new, ad hoc or stable organisations of struggle (e.g. factory committees, councils of action) – these tell us something (not everything) important about class consciousness.

But the SWP's current leadership seem to be seeking solace (or justification) in a conflation of a nebulous "political trade unionism" and the once enormous (in 2003), but now shrunken, anti-war movement. But there remains a link with their old methodology – namely placing all hopes in the spontaneity of the movement. Spontaneity (explosions of struggle) would, argued the old-style SWP, remove divisions in the class, raise it to an awareness of its own fighting strength and propel it into a battle with capitalism. The job of the party was not to fight for a strategy (a programme) but to organise the struggle, link the hospital worker and the miner and generalise.

Today Smith is more reticent about a trade union struggle achieving this, but the party's task remains the same. It is to organise the "political radicalisation". As with the trade union struggle, this does not involve challenging the politics of those mobilised by fighting to take the struggle to a new and higher level – which is what the fight for a revolutionary programme involves. Rather it means taking the "radicalisation" as it is and "organising it". This time round, the hospital worker is linked with the muslim anti-war activist. The vehicle for organising is Respect, a political organisation, but one confined to the politics that its hoped-for supporters in the anti-war movement will accept.

Just as the SWP of the 1970s saw the left reformist militancy of the shop stewards' movement as capable of transforming itself into a revolutionary force so long as it was organised and generalised under the banner of the SWP, so now the SWP sees the left reformist electoralism of Respect as the way forward, so long as it too is organised by the party. The changes in the working class have led to Smith and the SWP calling for "political trade unionism" where once they would have confined their calls to strikes for higher wages. The method, tailism combined with spontaneism, remains the same, but this time round it is combined with a left reformist electoralism.



## FRENCH ELECTIONS

# Workers between a rock and a hard place

*France has been rocked by mass struggles in recent years – against the European Constitution, attacks on youth employment rights, and against racism and police repression. But they failed to produce a presidential candidate to represent the struggles of workers and youth that the left could unite around. Christina Duval looks at the contenders on the left and right of the political spectrum*

ON 7 May France will have a new President. The European bosses hope their favoured candidate, right winger Nicolas Sarkozy, can use the last weeks of campaigning to boost his support in what the polls suggest is an extremely tight contest. French workers, however, can be sure that whoever wins the race to the Elysée Palace, they will again be compelled to take to the streets to resist further attacks on their working conditions and public services.

The neo-liberal wind that has blown through Europe has failed to sweep away many of the gains made by French workers in the post-war years. The inability of the French ruling class to deal a decisive blow against the working class, and the extreme fragmentation of the political and union organisations of French workers, has meant that the last two decades have been marked by a long-running stalemate between the two contending forces in French society: bourgeoisie and proletariat. The 2007 election could herald a more aggressive approach on the part of the ruling class.

Sarkozy likes to present himself as a man with a programme for “reform”. This is code for a programme of radical changes to French capitalism in order to bring it into line with the demands of a globalised neo-liberal economy. The European Union is already being used as a battering ram for such policies, opening up nationalised industries to competition, reducing state subventions and privatising the welfare state to a European level. But Sarkozy would like to take it further at the level of the French state, tearing up the key elements of the post-war class-collaborationist consensus, such as the role of the unions in the workplace, employment rights, and by starting to dismantle the massive public sector.

Sarkozy knows that this programme will not be imposed simply by winning an election. Despite its low unionisation rates, the French working class has retained much of



its strength and combativity and has repeatedly resisted attacks against pension rights and other aspects of the welfare state, or attempts to impose new anti-working class employment legislation. Not all of these movements have been successful, but they demonstrate that Sarkozy will not have an open road on May 8, should he win.

Despite the fact that Sarkozy has been a major figure in the current government since Chirac won the last election in 2002, he has carefully presented himself as a break from the past. This is not simply a demagogic stance. He has implicitly attacked his one-time mentor Jacques Chirac – currently the most unpopular president in French history – and threatens to end the French Gaullist tradition with its “anachronistic” legacy of statism and anti-Americanism. In this way, despite belonging to a party created to support Chirac (the UMP, the main party of the French right), Sarkozy aims to cash in on Chirac’s unpopularity.

Chirac’s failure as a President – from all points of view – has been astonishing. Corrupt, incompetent, inconsistent, Chirac has satisfied nobody. He won the 1995 election with a demagogic promise to heal the “social fracture”. This cynical lie did much to win the election, but the real popular support for Chirac soon evaporated. His first attempt to attack the workers – savaging the pension provisions for public sector workers in 1995 – not only revealed his true colours, but was also repulsed by mass demonstrations in support of the striking rail workers and in defence of the social security system – the largest mass strike movement since the near-revolution of May 1968.

Two years later, seeking a stronger majority for new economic attacks in order to pave the way for the Euro, Chirac called snap parliamentary elections. This backfired spectacularly and resulted in the victory of a Socialist-led coalition government which effectively neutered the right for five years. In 2005, Chirac boldly led the European bourgeoisie into a campaign for an EU Constitution that enshrined the neo-liberal direction the EU was travelling in. A massive working class campaign kicked the Constitution into the history books and marked Chirac down as a complete failure for the Euro bosses. Finally, in 2006 he announced that the way to deal with youth unemployment

the door to successful attacks on public sector pensions. But the working class has proved itself a formidable barrier to wholesale neo-liberal reforms. This is the challenge facing Sarkozy and his capitalist backers. That is why he is presenting himself as someone who will break the impasse that France has found itself in under the Chirac’s presidency. His recipe is to challenge the very heart of the Gaullist conception of French capitalism, blending a version of economic liberalism with a social authoritarianism.

The scale of the problem for the French ruling class is substantial. French society feels it is in an impasse, with one of the highest rates of unemployment in Europe (nearly 9%) and, decisively, youth unemployment running at more than 20%. The French public debt is growing faster than that of the other major European countries – it now stands at 66% of GDP. Repeatedly, opinion polls report that the French are pessimistic about the future, and have no confidence that they can change their lives for the better.

This feeling of trapped desperation is particularly strong amongst the youth – who have little love for Sarkozy. His last three years as Minister of the Interior have seen vicious police action in order to crush dissent. The three week long youth rebellions of 2005, in which working class estates across the country were the scene of pitched battles with the police, revealed the frustration felt by French working class youth – and in particular those from the immigrant communities. Important sections of the population, with a real sense of insecurity about both the present and the future, are increasingly alienated from the political elites of both right and left.

Sarkozy represents the candidate the bosses’ organisation, the MEDEF, has long been searching for. After the collapse of Chirac’s 1995 attacks, and in the absence of a strong, political alternative from the right, the French capitalists decided they needed a more forceful, openly political voice. Sarkozy has heeded their call, and has put forward a programme of neoliberal reforms, of deregulation and accelerated privatisation that he claims will reinvigorate the economy and boost employment.

French politicians and media hacks regularly point to the economic vitality to be found on the other side of the Channel, contrasting the capitalist paradise of London with the allegedly over-regulated system in France. The economic reality is more complex. Despite the self-flagellating gloom and doom that fills the French media, and which Sarkozy loves to encourage, as it paints a picture in which he can appear as the sole saviour, French capitalists are not doing so badly. The much-decried state system ploughs huge amounts of money back into small companies, in the form of hand-outs and subsidies that substantially reduce the tax and social security charges that Sarkozy complains about.

This is particularly true in the case of the massive agricultural sector, upon which much of the success of the French economy rests. France is the world’s largest agricultural exporter, and although the common image is of an inefficient, small farm-based system, the reality is very different – huge tracts of monoculture, linked to some of the largest multinationals on the planet (e.g. Danone), producing grain and vegetable oil, polluting land and

### **Chirac’s failure as a President – from all points of view – has been astonishing. Corrupt, incompetent, inconsistent, Chirac has satisfied nobody**

was a new Contrat de Premiere Emploi (CPE – First Job Contract). This attempt to weaken employment law was soon defeated by a magnificent and courageous display of militant direct action by youth and militant trade unionists. Once again, Chirac – and his government, including Sarkozy – backed down.

Workers’ resistance has not always led to victory – the huge public sector strikes of 2003 ended in a rotten compromise negotiated by the union leaders which opened



water – and all subsidised to the hilt by the French state and the EU's Common Agricultural Policy. At this point, Sarkozy's neo-liberal programme falls silent – 'lean and mean' is for the working class, not for the agrobusiness fat cats.

Workers' rights and wages are not Sarkozy's only target. As Minister of the Interior, eager to court the racist vote by increasing the number of deportations of immigrants and asylum seekers, he took a hard line against immigrants and youth. Indeed, much of the hatred of the youth on the streets in 2005 was aimed against "Sarko", the racist. His reaction to the riots was in typical fashion – to denounce the youth as "scum" that needed to be "blasted" away. Sarkozy has been keen to steal the clothes of the fascist Jean-Marie Le Pen and his fascist front party the Front National (FN). In 2002 Le Pen ended up in a second-round Presidential face-off against Chirac, having kicked the Socialist candidate, Lionel Jospin, into third place.

As a result, Sarkozy's campaign has been relentlessly authoritarian with regards to youth and immigrants, adopting FN logic by suggesting that those who don't like France can always leave. His latest weapon against minorities has been to propose the creation of a Ministry of Integration and National Identity, whose task will be to step up the forced integration of immigrants. Those who don't integrate will not receive the same rights as a French person, and families will only be able to join legal immigrants if they can speak French and can be supported financially.

If Sarkozy wins, France will take an authoritarian lurch to the right. Sarkozy, who revelled in his role as "France's First Cop", will be very different from Chirac – he will be prepared to use the full force of the state to smash opposition. The result will be that the French workers will have to prepare to defend themselves, be more politically united and be armed with a programme that both organises and directs the struggles to come.

### **A Royal road to the Third Way?**

If Sarkozy is the Thatcher of the elections, the Socialist candidate Ségolène Royal is the Blair – a neoliberal but with a very different style and social base. Like Sarkozy, she favours an Anglo Saxon model as the future for French capitalism, but she promotes this by borrowing Blairite, "third way" rhetoric and ideas. She has emphasised the need to "reconcile" the French "people" with business, conjuring up images of capitalism at the service of the people, not via state regulation, but rather through some natural, coming together of a shared vision of a modern France where ideas of social justice transcend class interests. On law and order, Royal has given Sarkozy a run for his money, going so far as to propose military camps for youth offenders. However, like Blair, authoritarianism as a response to crime is couched in rhetoric about a just authority and order.

Royal, too, has had to contend with the apparatus of her party – the "Elephants" as the grey Socialist Party (PS) factional leaders are known. Firmly wedded to the class-collaborationist heart of French society – the statist model

adopted by both right and left up to now – they dislike her version of neo-liberalism. However, the dull, traditional leaders of the PS were weighed down by the failure of one of their number, Jospin, even to get through to the second round in the previous election. "Never again", thought most Socialist members, and duly voted for Royal to be their candidate. As a result, despite Royal's real inexperience and genuine naivety with the media (tongue-tied when asked about how many nuclear submarines France has) and several attempts from within her own party to undermine her candidacy, she has gradually recovered her position in the opinion polls, after slipping badly.

To gain more support from workers and youth, Royal

### **If Sarkozy is the Thatcher of the elections, the Socialist candidate Ségolène Royal is the Blair – a neoliberal but with a very different style and social base**

has put forward a programme that appears more left than it actually is. Her programme does contain a handful of reforms, such as free health care for the under 16s, free contraception for young women under 25 and a programme of public housing. But Royal considers that private capital, not the state, will play the key role in solving France's fundamental problems. For example, Royal's answer to unemployment is to propose a conference of social partners, where, no doubt, the bosses will demand less protection and lower charges as a precondition of job creation. And that is what Royal will give them: the 500 000 jobs she wants to create for youth, are likely to be similar to programmes implemented already in Socialist-held regions where the state pays the capitalists 90% of the salaries!

As far as the privatised industries are concerned, Royal has carefully avoided saying anything about renationalisation. This is hardly surprising – the previous Socialist-led government actually increased the pace of privatisation compared to the right. That government also gives us an indication of what to expect of any reforms Royal might introduce. Its flagship measure was the 35-hour week, which still induces bemused head-shaking amongst foreign politicians and journalists. But this reform came at a massive price: not only was even more state money poured into the bosses' bank accounts to compensate them, they also gained a huge advantage; the reduction in the working week was tied up with a savage attack on the organisation of work which enormously strengthened the bosses' ability to control production, so it is little wonder that French workers' productivity is half as high again as in Britain. Despite this, the bosses still hate the 35-hour week – they want the flexibility on hours of the British bosses.

Royal, like most of the presidential candidates, has been keen to present herself as a break from traditional French politics, in the hope of rallying to her cause a disillusioned electorate. She claims to "listen" to the French



and promotes the idea of "participative democracy", again taking her cue from Blairite spin. She is not, as the left-leaning newspaper, *Libération* claims, a new beacon for the "left". On all the major issues, unemployment, public services, pensions, wages, she stands firmly with the neo-liberal wing of the PS (Socialist Party). Those on the right who criticise the cost implications of the meagre scraps she throws to the working class need not worry – her proposals to deal with the wasteful "Jacobin" state

## The class struggle in France presents a contrasting picture of major victories alongside the implementation of a succession of neo-liberal reforms

apparatus and her criticism of pampered teachers show exactly where her politics would take the country.

Finally, Royal has shadowed Sarkozy's nationalism as well as his neo-liberalism. She argues that every family should own a national flag and display it in their windows on Bastille Day and her election rallies close with the *Marseillaise* being brayed out. Whilst all socialist leaders have stood firmly behind the French Republic and vaunted their loyalty to the French nation, the national anthem has not previously been associated with PS rallies; this was part and parcel of Royal's stated pledge to reclaim the symbols of the nation from the right.

### The Third Man?

This jostling for the "heart and soul" of the French nation has been attacked by the third man (sic) in the race, François Bayrou, who sees it as both distasteful and a dangerous pandering to the far right electorate. Bayrou is yet another contender claiming to break with the political traditions of the past. He has disingenuously presented himself as transcending the left-right divide that he claims is paralysing French society. In fact, Bayrou is a member of the centre right Union for French Democracy (UDF) which, in the 1970s, represented the main right wing party. Like Sarkozy, Bayrou has served in Chirac's governments, most notably as Education Minister.

In keeping with the media circus that characterises the presidential "beauty contest", Bayrou's image has been carefully cultivated. Photos of him driving his tractor, symbolising the people against the urban political elite, helped Bayrou gain important ground in the polls. It was claimed that if he got into the second round (a big "if") he would beat both Sarkozy and Royal. Bayrou has clearly been able to tap into the voter disaffection with mainstream politicians, and in time honoured populist fashion, has put himself forward as the outsider courageously standing up to the dominant parties.

The impact of Bayrou's candidature on Sarkozy's campaign is illustrative of the challenge that will face Sarkozy

if he gets elected. Alarmed at Bayrou's rapid success in the polls, Sarkozy has been seen to water down his hardline neo-liberal messages in an attempt to court the Gaullist centre right. Bayrou's limited programme focuses on cutting public spending, but he claims to defend the French social model and is against pure neo-liberalism. Far more than Sarkozy, he in fact represents a continuity with Chirac. In an unambiguous reference to Sarkozy's admiration of the Anglo Saxon model, Bayrou stated his support for a specifically French model of society and not one copied from another country.

This defence of the French model has some resonance amongst the political and economic elite in France, indeed two of Sarkozy's former cabinet colleagues have already rallied to Bayrou. Over the last decade the right's lack of a united strategy, combined with high levels of workers' resistance, has led to an impasse for the French bourgeoisie. Chirac's presidency has been characterised by an indecisive inability to defeat the working class – or even to maintain an attack in the face of substantial opposition. The refusal of the right to rally around Sarkozy suggests that he will have a hard task overcoming this impasse.

This does not mean the neo-liberal onslaught is not on the cards. Each of these three candidates represents the interests of private capital in the global age. They differ in their ability to elaborate a political strategy capable of effectively implementing a programme that meets the needs of French bourgeoisie.

Then there is Jean-Marie Le Pen. In 2002 he shocked the world by getting through to the second round of the election. This time at 79 years of age he appears tired and past it – it is unlikely he will have the same impact. Sarkozy has stolen many of his right wing policies, and despite the old fascist crowing that "people prefer the original to the copy", his ability to touch the racist nerve of sections of the French working class and petit bourgeoisie does not seem quite so sure as in the past. With a strong authoritarian Sarkozy to compete with, Le Pen can only be certain of both his core hardline fascist and anti-semitic vote. Le Pen will soon disappear from the French political scene having succeeded in poisoning the water, but unable to represent anything except the most reactionary spasms of the French population.

### Workers' resistance and a missed opportunity

The outcome of the "third round" – the class struggle after the elections – will be determined by the working class. Repeated resistance over the past decade has prevented a full-scale assault on workers' rights. However, whilst European militants have gazed with admiration at the French workers' tireless capacity to take to the streets, the class struggle in France presents a contrasting picture of major victories alongside the implementation of a succession of neo-liberal reforms and the imposition of tough laws against youth and immigrants.

Recent struggles illustrate this. Last year, youth and workers united to defeat the CPE, which would have created special employment contracts for young workers,



giving them far fewer rights and making them easier to sack. A few months later, massive demonstrations were held to denounce plans to privatise Electricité de France and Gaz de France (GDF).

The demonstrations brought together both electricity and gas workers and the wider working class. But rather than use these demonstrations to go on the offensive against the entire logic of marketisation of public services, union leaders reached a compromise with the government which paved the way for the EU-backed privatisation of GDF and the opening up of electricity and gas services to full competition in the summer of this year. The neo-liberal EU apparatchiks got their way, as did the French ruling class.

The most tragic example of a missed opportunity was the strike movement of 2003. Hundreds and thousands of workers went on strike and took to the streets over plans to decentralise education, and over a linked attempt to attack public sector pensions. Rank and file workers, frustrated by the refusal of union leads to act beyond sporadic set days of actions, launched a wave of struggle that drew the whole country into radical militant action.

At the height of the movement, over a million took to the streets. However, by the time of the summer exams, teachers' unions were accepting minor concessions from the government and urging members not to disrupt exams. Faced with the real need and enthusiasm for a general strike, the union leaders ran scared and deliberately fragmented, then halted the movement. As a result the government felt confident enough to press ahead with the pension reforms. The issue that had opened up the period of intense class struggle had finally been resolved in favour of the bourgeoisie.

In contrast, the movement against the CPE proved that the French working class still had some clout, and that, with the right tactics, could take on the government and win. The key to the anti-CPE movement was the strength of the rank and file committees that prevented the leadership of the unions from derailing the struggle by containing it whilst entering into the negotiations with the government that inevitably end in defeat.

## The workers united?

The fortunes of the French left reflect this contrasting picture of the French class struggle and the failure to provide a real revolutionary alternative for the working class over the past period. The widespread disillusion that was created by the negative experience of the Socialist-led coalition government of the late 1990s opened up a golden opportunity for the far left to gain support in the wider workers' movement.

Indeed, the two main far left parties in France, the Ligue Communiste Révolutionnaire (LCR) and Lutte Ouvrière (LO) made important strides forward in the subsequent elections, gaining five members of the European Parliament in 1999 and together winning an historic 10% in the first round of the 2002 Presidential elections, with both parties easily surpassing the moribund French Communist Party (PCF). Paradoxically it was this success – which

contributed to the failure of PS candidate to get through to the second round – that gave Chirac his unprecedented 82% score against the fascist Le Pen in the final run-off. Fear of repeating this scenario, and of Royal not getting through, is likely to have an impact on the support for the LCR and LO this time around.

Predictably, the 2002 electoral gains were short-lived. By 2004, the PS was regaining lost ground and made significant gains in the legislative elections of that year, whilst LO and the LCR were unable to muster more than 5% of the vote between them. Neither organisation was able to grow as a result of the movements that punctuated Chirac's second term, nor were they able to present a programme that would both resist the inevitable decline in what was largely purely electoral support.

In 2005, the left outside of the PS campaigned against the European Constitution, providing an important platform for a left, non-nationalist worker's rejection of the constitution. The result was a resounding "Non" to the European neo-liberal project, which provided a new opportunity to raise the banner of a political alternative to reformism. Boosted by this victory, the hundreds of "collectives" that had come together to campaign for a workers' response to the European Constitution continued to meet and entered into a period of feverish activity around the idea of presenting a united anti-liberal candidate for the presidency.

JOSÉ BOVÉ

## Dead end for the workers

SOME WITHIN the LCR, most notably those around Christian Picquet, have argued that the LCR should throw itself into José Bové's campaign, in the name of "unity". Bové, they argue, is a national figurehead capable of attracting a large anti-capitalist vote. Alex Callinicos has supported this idea, in the pages of *Socialist Worker*, presumably seeing a Galloway-style personality for the French comrades to tail behind.

Bové is indeed an important national figure, who came to prominence in the anti-globalisation movement following his high profile attacks against McDonalds and GM crops, for which he has served prison sentences. He has also been outspoken in his denunciations of the war against Iraq.

However, as leader of the Confédération Paysanne (farmers' union), Bové is not a workers'

candidate, and the movement he represents, the anti-globalisation movement is not the key arena of struggle in France, superceded as it has been by workers' strikes and attempts to forge an working class political alternative.

This is not a natural terrain for Bové, reflected in a lack of support in the collectives unitaires for his candidature. Outside of a few collectives, only the Alternatives, a small current within the Verts (Green Party), support him.

Bové, in common with the anti-globalisation movement, is hostile to political parties, and therefore places himself outside of the political struggle to forge a class alternative to the PS. His candidature with no roots in the labour movement and not representative of current struggles in France, offers a dead-end to the French working class.



However, after two years of manoeuvring – in particular by the Stalinists of the PCF, who despite their growing irrelevance, retain their sectarian desire to destroy anything they do not control – the collectives failed to agree on a united candidate. As a result the election sees no fewer than five candidates standing on some sort of

## Despite intense class struggle and disillusion with traditional left parties, the working class has not succeeded in creating a lasting political legacy

left, anti-capitalist or at least anti-liberal programme – PCF, LO, LCR, PT (“Lambertist”), and anti-globalisation campaigner José Bové. It seems unlikely that, even taken together, these candidates will achieve the support garnered by the far left in 2002.

As François Duval, leader of the LCR, stated in an interview earlier this year:

“Actually after 29 May 2005, we have been faced with a succession of missed rendezvous, false hopes and distorted debates. To put it simply, it was not so easy – and perhaps impossible – to change the coalition against the European Constitution into an electoral coalition for 2007”<sup>1</sup>

In fact the missed rendezvous predate May 2005. From the strikes and mass demonstrations that have so frequently rocked France to the crucial question of what party the working class needs, the French far left has failed to provide the leadership needed to transform the quest for a radical alternative into a coherent strategy to decisively alter the balance of forces in favour of the workers.

In 2002, when youth and workers spontaneously poured onto the streets against Le Pen, the left was devoid of an independent working class response to the second round of the presidential elections. LO, true to type with its “plague on all your houses” approach, ignored the mass movement, whilst the LCR refused to challenge the instinctive – but wrong – response of the workers’ movement to reluctantly vote for Chirac.

Another LCR theorist, Daniel Bensaïd, locates the problems of the left in the low level of class struggle since the highpoint of 2003 strike wave:

“I think, moreover, that the demoralising effect of the defeat of the social movement of 2003 on pensions and education is underestimated. It was a struggle much more rooted than that against the First Employment Contract.”<sup>2</sup>

This quote sums up the frustration felt by French activists. Despite intense class struggle and disillusion with traditional left parties, the working class has not succeeded in creating a lasting political legacy capable of seriously challenging bourgeois hegemony. However Bensaïd fails to understand the reasons for the demoralisation and low level of class struggle since 2003.

In 2003, the unions were able to sell out the struggle because the rank and file organisations that emerged did

not transform the movement into an all-out strike linking different sectors of workers against the full range of attacks they were facing (decentralisation of education, pensions and cuts in the health sector). This would have meant using the rank and file organisations to challenge the union leaders, and setting up organisations capable of spreading and sustaining a general strike.

Another key problem is the failure to link such movements to the creation of a political alternative. For the LCR, the political expression of the class struggle is limited to the electoral success of the far left, rather than emerging organically from the struggle as a process of elaborating a programme that both responds to the needs of the class and provides a strategy for achieving the programme that goes beyond the confines of bourgeois democracy.

The LCR’s decision to field its own candidate, Olivier Besancenot, has been a controversial one. Within the unitary collectives, the LCR had been pushing for the PCF to make it clear that they would not enter a coalition government with the PS. The PCF was never going to agree to this, having already participated in the 1997-2002 governmental coalition with its programme of privatisations. The PCF were only involved in the collectives to either impose their candidate, party leader Marie-Georges Buffet, or to garner support for her, gaining some left cover and setting themselves up with a firm basis to enter into an electoral carve-up with the PS in the legislative elections which will follow the Presidential vote.

Some within the LCR, most notably those around Christian Picquet, have argued that the LCR should throw itself into Bové’s campaign, in the name of “unity”. Bové, they argue, is a national figurehead capable of attracting a large anti-capitalist vote, an idea the SWP’s Alex Callinicos has supported [see box p33].

## An anti-capitalist programme?

The LCR’s programme is classic left reformism, full of “social and democratic emergency measures”<sup>3</sup> which will “put into question” the interests of the big capitalists and the banks, but which in no way outlines a programme for the revolutionary destruction of the bosses’ power through workers’ action.

The LCR calls for an end to flexible working which leaves workers open to abuse from bosses, an immediate wage increase of 300 Euros, a minimum wage of 1,500 Euros and the re-nationalisation of privatised industries and an end to neo-liberal encroachments in education and the health service, full citizen rights to the *sans-papiers* (illegal immigrants). The LCR also puts forward democratic demands with regards to bourgeois democracy, the abolition of the Senate (the second Chamber which is indirectly elected via office holders) and the Presidency, and for a Constituent Assembly.

This programme barely differs from that of the openly reformist elements within the collectives, such as Bové and the PCF. This is shown by François Duval’s critique of Buffet and Bové which is reduced to a few minor points, such as their ambiguity on the minimum wage and nuclear power<sup>4</sup>. Besancenot presents himself as an anti-capital-



ist candidate but his programme is not anti-capitalist in any meaningful sense.

An anti-capitalist programme would be a programme of transitional demands, the aim of which would be to destroy the power of the big capitalists and banks, not merely to put a few spanners in the works. It would be more than an electoral programme designed to get as many votes as possible and therefore avoiding key questions such as the nature of the state and bourgeois democracy. Crucially an anti-capitalist programme would make clear that no programme that really meets the needs of the working class can be implemented without the direct action of workers, through the mechanisms of direct democracy that will inevitably bring them into conflict with the forces of the state.

### Who should workers vote for?

The failure of the collectives to put forward a common candidate is a reflection of the current disarray of the workers' movement. Despite the periods of intensive struggle and the continued widespread hostility to the marketisation of the public sector and attacks on workers' conditions, the most class-conscious sections of the working class have not been rallied to a revolutionary alternative. The vanguard of the French working class remains very diverse, with no one organisation – or sector – emerging as a hegemonic leader from the tumultuous events of the last decade.

For this reason it would be incorrect to favour one candidate over another in the first round, since in such a context choices are likely to be made for contingent reasons such as the strength of the PCF, LCR, LO, or Parti des Travailleurs in a local union or locality. For some class-conscious workers, scalded by the success of Le Pen in 2002, and fearful of Sarkozy, the need to get Royal through to the second round will be an important factor in their choice of vote.

In the absence of their own candidates, revolutionaries give critical support to candidates and parties which are either historically associated with the working class, such as the PS in France, in order to better expose their anti-working class nature, or to candidates emerging from the struggle of the class. Neither of these classic schemas fits the current election in France. Furthermore, the two round system allows workers to express a clear political preference in the first round, and this preference will differ considerably even within the most class-conscious sectors.

In these circumstances, and without either a clearly revolutionary candidate or a candidate with clear links to important struggles, there is no single, easy solution. It would be hard to argue that a militant who supports Lutte Ouvrière's candidate, the veteran Arlette Laguiller, should transfer their vote to, say, Olivier Besancenot. Equally, workers who have illusions in the PCF or even the PS will not have those illusions satisfactorily broken by a merely propagandistic argument to vote for either LO or the LCR. And, of course, workers who rightly loathe the PS and consider themselves to be revolutionaries would be unim-

pressed by a call to "vote useful" and support Royal from the first round.

In this fragmented and unresolved political situation, no electoral tactic is likely to have a decisive influence on the development of political consciousness. That will come in the "third round" the struggles after the election of a new President. We think workers should vote for any of the candidates that either have historic links with the working class or stand clearly for workers' interests. This would include Royal, the PCF, LCR, LO etc but exclude Bové.

If, as is likely to be the case, the second round sees a run off between Sarkozy and Royal, revolutionaries would call for a vote for Royal. We have no illusions as to what a Royal presidency would offer, but it seems likely that, should she face Sarkozy, many millions of workers would not agree, and would try to stem the authoritarian, aggressive Sarkozy threat by voting for Royal. Those illusions, even if only overtly expressed at the ballot box, will only be ultimately destroyed by breaking the influence of the Socialist Party, through the class struggle and the construction of a revolutionary party.

Whatever the outcome of the election, the unresolved question of the political leadership and orientation of the French working class will be posed point blank in the subsequent struggles. If Sarkozy or – far less likely – Bayrou wins, then there will be a rapid and open offensive against the public sector. If Royal wins, that offensive will still take place, but with consistent attempts to sugar the pill with minor reforms and, above all, to buy off the union leaders and make them jointly responsible for the neo-

## An anti-capitalist programme would be a programme of transitional demands, aiming to destroy the power of the big capitalists and banks

liberal offensive. Sadly, that will not be difficult, but it will make the job of revolutionaries easier, by revealing both the political and union leaders to be the architects of a capitalist offensive.

If workers and revolutionaries in France know how to seize this opportunity, and to develop a revolutionary action programme to meet the attacks head on and unite the class, the "third round" will prove to be of far greater importance than the Presidential election itself.

### ENDNOTES

1. *International Viewpoint* 386, February 2007: "On the French Left: what's going on?" by François Duval
2. *International Viewpoint*, 386, February, 2007: "The Presidential campaign is rotting French political life" by Daniel Bensaïd
3. *International Viewpoint* 386, Duval
4. Ibid



## NORTHERN IRELAND ASSEMBLY

# The collapse of

*As Gerry Adams and Ian Paisley prepare to work together in the new power-sharing executive Maureen Harrington and Keith Harvey examine the path they have taken and its consequences for the Irish working class*

IT WAS watching Ian Paisley on TV when he was 18 that made Gerry Adams join the IRA. Paisley was the 38 year old leader of the anti-catholic DUP and militantly defying British troops by insisting on flying the Union Jack in a nationalist area. Paisley wanted victory over the republicans and nothing less. Adams wanted to be equally militant for the anti-unionists. As a member of the IRA's Army Council and later Sinn Fein president, Adams did his time on the barricade and in prison in the 1970s, trying to bring down the Orange State that Paisley's loyalists cherished.

Now, nearly forty years on, Adams experienced another defining moment. Sitting alongside Paisley, the sworn enemies who had never met and spoken to each other before that day, agreed to re-establish a power-sharing Assembly and an executive.

The agreement represents the end of a long journey for Gerry Adams. Twenty-five years ago, around 1982, he made up his mind that the military struggle could not force the British to leave Northern Ireland and that an accommodation would have to be made to the Unionist majority. But to convince the majority of the 600-700 IRA volunteers and thousands of Sinn Fein members to follow him down that path would be difficult, never mind convincing the Paisleyites that he was sincere.

This article, aims to explain how this came about and to assess the prospects for the devolved government and where it all leaves the struggle for a united Ireland, the altar upon which thousands of republican lives have been sacrificed since its brutal partition 85 years ago.

### The origins of the peace process

The road to the Good Friday Agreement (GFA) of 1998 is synonymous with the political evolution of Sinn Fein's President Gerry Adams. He joined the Belfast IRA in 1965.

He fought loyalists and British troops as leader of the Ballymurphy brigade after 1969 before he was interned in 1973 until 1977. He gained control of the IRA/Sinn Fein in the second half of the 1970s. As a physical force republican traditionalist, Adams preached abstention from elections and faith in the armed struggle.

It was the hunger strikes of 1980-81 that were to change Adams' outlook on the relationship between military struggle and politics. The decision in October 1980 by republican prisoners in the H-blocks of Northern Ireland to go on hunger strike to achieve political status was initially opposed by the Adams' leadership, fearful that Thatcher would happily see them all die without concessions to show for it.

The first strike indeed ended in confusion and deceit at Christmas when supposed concessions by the British government proved largely fictitious. More resolute than ever, Bobby Sands began the second hunger strike on 1 March 1981 and 66 days later on 5 May he died. However, before he sacrificed himself he won the Westminster by-election in Fermanagh and Country Tyrone in April, after sitting MP Frank Maguire suddenly died in this strongly republican area.

The southern IRA leader David O'Connell favoured Sands standing but the northern leaders were initially opposed and took some persuading. In the end Sands stood unopposed by other nationalists and won against the unionist candidate Harry West. In June two more prisoners won seats in the general election in the Republic in what proved a hung parliament (Dail) in the south. In the by-election in August to fill Sands' Westminster seat "independent republican" Owen Carron won with an increased majority against a background of several more hunger strikers' deaths.

In 1984 Adams reflected that the decision to stand Sands in 1981, made it "easier to argue for an electoral



# republicanism

strategy within Republican ranks". Indeed, when the hunger strike was called off after ten deaths in October 1981, the National H Blocks Committee wound up and its mass base by and large joined Sinn Féin, providing Adams, now convinced of the need for electoralism, with an instant internal source of support for the electoral strategy. Adams secured the endorsement of the new line at the winter Ad Fheis in 1981; the strategy of the armalite and the ballot box was born.

In October 1992 in elections to a Northern Ireland assembly Sinn Féin made a big impact securing more than 60,000 votes. The high point was Adams' own election as a Westminster MP in West Belfast in the 1983 general election with 43% of the poll – 100,000 votes.

## The peace overtures

But for the majority of republicans, and the IRA army council in particular, electoral politics was still only an adjunct to the IRA's guerrilla campaign, not an alternative to it. In contrast Adams had already decided that the IRA could not win a guerrilla war against the British. The IRA could harass it, tie it down, embarrass it, cause economic damage, deter investment and take out the worst elements of loyalist sectarians – but they could not force the British to leave the North and overthrow the sectarian state machine.

From the mid-1980s onwards the IRA's campaign was reinforced by huge shipments of arms from Gaddafi's Libya – with more than 1,000 rifles, machine guns, Semtex and Sam missiles – and their killing rate and impact steadily increased through targeting British troops. Nevertheless, when in 1986 Thatcher and Garret Fitzgerald, the Irish Republic prime minister, signed the Anglo-Irish Agreement (AAI),<sup>1</sup> Adams took his cue to open informal discus-

sions with an intermediary who had contacts with the British government via the security services, as well as the southern government – Alec Reid.

These Reid/Adams discussions were kept from the Army Council but thanks to Reid by late 1986/early 1987 discussions took place with secretary of state for Northern Ireland Tom King. Eventually King's successor, Peter Brooke, was persuaded by SDLP leader Gerry Hume to make a public statement which included the position that, "The British government has no selfish strategic or economic interest in Northern Ireland."

This threw into doubt all the established republican views of British determination to stay in Northern Ireland and it underlined that, while Britain would never ever allow itself be defeated militarily, the main political obstacle to the republicans was unionism.

In the light of the AAI and Brooke's statement, Adams put together an alliance of all nationalists north and south to press the British government further. Discussion between the Irish prime minister Charles Haughey and Sinn Féin took place in the late 1980s. But the newly energised guerrilla campaign held the danger of sabotaging this new strategy, in November 1987 an IRA bomb in Enniskillen killed 11 Protestant civilians at a Remembrance Day parade. Martin McGuinness described the bombing as "a total and absolute disaster" for the IRA/Sinn Féin.

Its effect was to drive a wedge between it and the SDLP and Irish government marginalising Sinn Féin again. A series of disastrous military operations followed; Adams threatened to quit the IRA in 1990 when two Australian tourists were killed when mistaken for off-duty British soldiers in Holland. Sinn Féin's vote collapsed to around 1.2% in the 32 counties by the early 1990s. Adams sought to publicly disassociate Sinn Féin from the IRA but the Army Council refused. After Enniskillen British repression and intelligence was stepped up, several operations were



pre-empted or foiled and an unarmed IRA active service unit assassinated in Gibraltar. The question was posed point blank: was it to be the bullet or the ballot box?

### The Downing Street Declaration

It took the overthrow of Thatcher by the Tory party and the arrival of John Major in late 1990 to unlock the political deadlock. Secret ongoing talks between SDLP leader John Hume and Gerry Adams had sought to explore the outline of a proposal that they and the Irish government could agree to present to the British government.

The 1992 Hume-Adams declaration (again formulated in secret behind the backs of the Army Council) set out a position on Irish national self-determination which meant the unionists would have to agree to a British withdrawal and the shape of any post-withdrawal political settlement.

But the IRA Army Council would not accept it and Dublin refused to attempt to convince the British government that they in turn should persuade unionists to join a united Ireland.

In 1993 Major offered talks in return for a ceasefire. There was no mention of troop withdrawal so Major instead stated that the government would legislate for any agreement that the nationalists and unionists could arrive at.

Talk of a ceasefire held bitter memories for the republican movement, since the ceasefire of 1972 had allowed the British to nearly destroy the IRA. Indeed, Adams had used this debacle to wage his campaign for leadership of the IRA in the late 1970s.

The Army Council rejected a unionist veto on troop withdrawal. Privately Adams had already signalled his agreement to the orange veto, but this was not known to the Army Council and nor could it have been accepted by the "soldiers" in the IRA leadership.

The thrust of Adams' whole leadership was to convince the Army Council about this point; to surrender the key political core belief of republicanism.

Indeed, this would prove a watershed issue. The creation of Northern Ireland was a profoundly undemocratic act. No genuine democrat, let alone a socialist or republican,

could do this. For now the Army Council could not.

In April 1993 the new Irish Prime Minister, Albert Reynolds, sent a document to Major, that was effectively drafted by Hume and Adams, which called for the British government to facilitate a united Ireland. It was rejected and Reynolds and Major agreed instead to draft what became the Downing Street Declaration. This statement re-iterated the position of Dublin and London:

"The British government agrees that it is for the people of Ireland alone, by agreement between the two parts respectively, to exercise their right to self-determination on the basis of consent, freely and concurrently given, North and South, to bring about a united Ireland, if that is their wish."

When it was presented publicly in mid-December the unionists were content, the republican rank and file contemptuous. As one senior Belfast republican noted:

"What we are talking about here is that if we accept this we accept that everything we stood for in the last 25 years is for nothing."<sup>2</sup>

Adams could not endorse the DSD, and the Army Council rejected it; but Adams persuaded the IRA not to make their rejection public. Britain and Dublin used this, in Reynolds words, to "reel them in", through a mix of repression in the South and Northern Ireland, combined with a deal to end Section 31 in South, to treat Sinn Féin as a "normal" bourgeois political party and consult it regularly on northern Irish matters; allow Sinn Féin to campaign, raise funds and use the broadcast media in the Republic; and for US President, Bill Clinton, to allow Adams travel to the USA in February 1994 to explain his case to US supporters.

Through the summer of 1994 the Army Council debated the ceasefire. Eventually Adams and McGuinness won a majority. The ceasefire was announced on 31 August – for four months though its duration was not made public. The IRA promised to suspend operations against the army, agreed to end surveillance and the building up of arms supplies – all without a reciprocal end to RUC/UDA and British army actions.

At one level the ceasefire marked a betrayal of the Irish anti-unionist population because it removed the right of the nationalists to defend themselves against loyalist attacks. In September 1993 the loyalists murder squads launched on average one sectarian attack a day. A botched retaliatory bomb operation, which aimed to kill the UDA leadership in Belfast led to the death of nine protestant shoppers and in turn, over the following six weeks the UDA and LVF murdered 16 Catholics.

Worse for Adams, the ceasefire brought forth no serious concessions from the Major government; instead the government spent the next two years demanding steps to disarm as a precondition of entering talks while the IRA refused. Meanwhile the IRA rank and file were becoming increasingly demoralised.

The pressure to end the ceasefire was immense and it was finally called off at the end of January 1996. A week later a huge truck bomb exploded at Canary Wharf London, killing two and causing £100m in damage. In June the centre of Manchester was wrecked by another massive bomb.

### **Talk of a ceasefire held bitter memories for the republican movement, since the ceasefire of 1972 had allowed the British to nearly destroy the IRA**

could ever accept the "right" of this oppressor majority in the north to block progress toward re-uniting Ireland. To do so would be to negate the right of the majority of the people of the island of Ireland to self-determination, something they had expressed democratically in 1918 and which the British and Ulster Protestants refused to accept.

In the search for a solid pan-nationalist alliance Adams



It took three elections in 1996 and 1997 to put the "peace process" back on track. In the first of these – for the Northern Ireland Forum (for inter-party talks on NI future) – Sinn Fein did very well, polling more than 13% of the vote.

Then in May 1997 Tony Blair was elected to lead a Labour government and Martin McGuinness was elected alongside Adams as an MP in Westminster. The following month the nationalist Fianna Fail was re-elected in the Republic. Blair made it clear that with a new IRA ceasefire talks would begin immediately without conditions and decommissioning would be put on a separate parallel discussion track.

Meanwhile the IRA campaign in Northern Ireland was falling apart, South Armagh was the only effective unit, British intelligence had effectively destroyed the English cells, it was broke and Sinn Fein money from the USA could not be used to fund the IRA.

On 3 July a further ceasefire was called and the way opened in the autumn, for multi-party talks in Belfast under the chairmanship of George Mitchell, a US senator. But it was only in 1998 when Blair set a deadline for Easter that the outline of an agreement between Dublin, London, unionists and nationalists took shape.

The Good Friday Agreement (GFA) enshrined the principle of unionist consent (veto) to any united Ireland, allowed for extensive prisoner release and north-south co-operation. It established an Assembly with an Executive in which all the parties would sit and with power devolved to it from London.

The main sticking point was that the UUP wanted the decommissioning of IRA weapons before Sinn Fein were allowed to sit in the Executive and Sinn Fein were adamant that there should be no such thing. The eventual compromise was that decommissioning was vital, that everyone should work for it sooner rather than later but that it was not a precondition.

The text said: "All participants accordingly reaffirm their commitment to the total disarmament of all paramilitary organisation. They also confirm their intention to continue to work constructively and in good faith with the Independent Commission, and to use any influence they may have, to achieve the decommissioning of all paramilitary arms within two years following endorsement in a referendum North and South of the Agreement and in the context of the implementation of the overall settlement."

The GFA was not a step towards justice in Ireland since it explicitly denies the Irish people's right to self-determination. It entrenches the sovereignty of Britain over the six counties. Not only is this acknowledged in the agreement but the Republic of Ireland agreed to amend articles 1 and 2 of its constitution to remove its territorial claim over the whole island. Meanwhile, Sinn Fein accepted what they had always denied, namely that the wish of the Protestants to remain part of Britain is "freely exercised and legitimate". The secretary of state for Northern Ireland in the British government retains the sole power to determine when and whether to call a poll to determine whether the people of NI want to leave the UK.

Moreover the GFA set up a sectarian political power-

sharing system where constitutional rights were to be based on a religious head count. In the Assembly any proposal to give powers to cross-border bodies would have to have a weighted majority (60%) in favour.

Sinn Fein's acceptance of the GFA was no foregone conclusion. A consultative Sinn Fein conference in April saw a clear majority opposed to the GFA. So at a May 1998 special

## **Then in May 1997 Tony Blair was elected to lead a Labour government and Martin McGuinness was elected alongside Adams as an MP in Westminster**

Ard Fheis in Dublin, the Balcombe Street IRA prisoners were among many prisoners released to support Adams and change Sinn Fein's constitution to allow it to take seats in the Northern Ireland Assembly and back the GFA. The main argument from Adams on the day was: do you want to see these people go back to prison?

### **The Assembly's precarious existence: 1998-2007**

The GFA was endorsed in two referenda in May 1998. Barely half the northern unionists voted for it. In elections to the Assembly the pro-GFA UUP won most votes, but its lowest ever share of the vote. Meanwhile, the anti-agreement DUP of Ian Paisley received only a few percentage points less.

Consequently Trimble was under intense pressure to get the IRA to disarm and quick. Throughout 1999 secondary aspects of the GFA were implemented but the executive was not set up and powers were not devolved from London, since the UUP refused to sit down with Sinn Fein until decommissioning was underway.

Eventually, talks between Sinn Fein and the UUP led the IRA to agree to appoint an interlocutor with the Inde-

#### **THE LEGACY OF THE GOOD FRIDAY AGREEMENT**

### **Divided communities**

THE GFA has done little to bring the communities together and decrease the sectarian character of housing and education; on the contrary since 1998 the divisions have widened:

- Less than 10% of public housing is integrated. The majority of people live in exclusively protestant or catholic areas.
- There are 27 government-built walls, fences or other physical barriers in Belfast that mark boundaries between protestant and catholic communities, and an additional ten such structures in other areas of the country.
- The number of children in integrated schools is around 17,500 – about 5% of the school population.



pendent Commission. Trimble secured a narrow majority in his party for an agreement to share power with Sinn Féin on this basis and agreed to resign by January 2000 if no progress had been made. Powers were thus devolved to the Assembly in December 1999.

But in February 2000 Peter Mandelson suspended the Assembly after Trimble activated his resignation letter because there was no decommissioning. Eventually the IRA agreed to allow inspectors to inspect their arms dumps and initiate a process that "would completely and verifiably put IRA arms beyond use". In return British demilitarisation measures began in key republican areas such as South Armagh.

The Assembly's powers were restored in summer 2000 but over the following year the unionist and nationalist populations grew ever more polarised, reflected in the June 2001 general election advances for the DUP and Sinn

Fein. Trimble once more said he would resign if there was no arms decommissioning.

The pressure for disarmament was compounded in August 2001 when IRA members were captured in Colombia providing training to Farc guerrillas. Then, little more than a month later, came 9/11 and the new Bush-driven global "war on terror" was announced. So in October 2001 the IRA announced they had destroyed some weapons and that the Independent Commission had witnessed it and was satisfied. The Assembly was prevented from getting back on track by the hardening of unionist opinion which strengthened the DUP at the expense of the UPP. Or would have been if it were not for the continued hardening of unionist opinion, articulated by the DUP, which exploited it to eclipse the UPP. The DUP wanted the surrender of the IRA, its full disbandment and destruction of all weapons as the price for entering

### SINN FEIN'S RECORD IN POWER

## Privatisation and pragmatism

WHAT WILL Sinn Féin be like in the Executive when it is up and running? If the record of their ministers in the Assembly between 1999 and 2002 is a guide, they will act as bourgeois reformists pushing privatisation plans and backing off from progressive policies.

As part of the Executive, Sinn Féin demonstrated its support for the increasing role of private companies in public services. The best example of this was when the Executive, which included Sinn Féin, signed up for the Reform and Regeneration Initiative (RRI).

The introduction of water charges can be traced back to this period of the Stormont Executive and the RRI initiative in May 2002. While Sinn Féin may say they are opposed to water charges and privatisation, during their time on the Executive, when they had opportunity to act, they were fully supportive of the agenda that produced them. They have accepted the principle of water charges and support the broader privatisation agenda of which they are a part.

In this period, there was a massive expansion of Private Finance Initiative (PFI) projects in

the Departments of Health and Education, which included Sinn Féin Ministers. Bairbre de Bruin was happy to introduce PFI into hospitals and Martin McGuinness refused to abolish the anti-working class 11 plus exam or to pay term-time workers in schools for the summer period.

McGuinness said that PFI is an "innovative procurement method" for schools. The reality is that within a year of the North Win consortium handing over a new education block to the further education sector built under PFI/PPP, the college was £1.5m in debt and unable to pay the exorbitant mortgage costs due to North Win.

When asked about PFI, Adams told an audience of business leaders in 2002:

"Well, we are against them. Having said that, Martin McGuinness, as Education Minister, faced with the reality that he would either have no schools or an involvement in a qualified way with private finance, went for it. So I suppose you could argue that that is the emergence of pragmatic politics."

Bairbre de Bruin, Sinn Féin's Health Minister in the Northern Irish Executive before 2002,

oversaw a big increase in waiting lists, sanctioned the closure of rural hospitals and cut bed capacity. She also through approved the extensive use PFI.

Sinn Féin lobbied to lower corporation taxes in the North of Ireland to the same low level as in the South, from 30 to 12 percent, or even 10 percent. As it is, manufacturing industry in the North is exempted from paying rates, whilst local and multinational companies receive very generous subsidies and "tax holidays" of anything up to five years.

In the Republic, Sinn Féin has opposed bin charges in Dublin, yet in Sligo, where Sinn Féin is part of the coalition that runs the Council, they brought in bin charges. Gerry Adams explains the contradiction:

"Sinn Féin councillors in Sligo, rather than seeing the service go entirely over to privatisation ... then went for a more pragmatic approach. The same thing has happened in Monaghan. Our position is against it. But in terms of the actual practicalities of working out these matters ... the party made compromises on it."



government. The IRA was not forthcoming.

The Assembly collapsed for the third and last time in October 2002 when unionists and the British government accused Sinn Féin of gathering intelligence for the IRA within the Assembly administration.

The UUP's price for re-entry into the Assembly and participating in any elections was a clear statement from Sinn Féin and the IRA that the IRA was being disbanded and major new rounds of arms destruction would take place. In June 2003 three UUP MPs defected and effectively joined the DUP, thus ensuring the DUP became the dominant voice within unionism. Even the IRA's third act of decommissioning in October 2003 on the eve of new elections to the suspended Assembly was not enough to appease unionists.

In time DUP intransigence forced the IRA to deliver what was demanded of them: a declaration that "the war is over" and proof that all its arms have been destroyed. The final piece in the jigsaw was Sinn Féin's decision in 2007 to support the successor to the hated RUC, the Police Service of Northern Ireland, and to recommend joining it to the anti-unionist community.

With this Paisley had his victory.

## **Permanent revolution and the Irish national struggle**

The "reconciliation" between the DUP and Sinn Féin in a power-sharing assembly poses key questions of revolutionary theory and strategy. Since partition revolutionaries have argued that the Northern Ireland state must be "smashed" from below by a coalition of forces made up of the anti-unionist working class in the north, the southern working class and those protestant workers who consciously abandon their attachment to loyalism. These layers would be the social force to combine the fight against discrimination and for national independence with the struggle for socialism; to fight for, in short, a strategy of permanent revolution.

Yet the tortured "peace process" poses the question whether Northern Ireland can after all be reformed, an "equality agenda" successfully implemented and even a united Ireland achieved by consensus.

To answer these questions it is essential to look at two inter-related issues. First, the prospects for a sovereign bourgeois united Ireland arising out of the further development of Irish, British and European capitalism; and secondly, the prospect that the national question could be removed as the main detonator of mass class struggle inside Northern Ireland.

Since the partition of Ireland in the early 1920s the striving for a united Ireland by various social classes in the southern Republic and the discrimination against the anti-unionist minority in the northern Six Counties have been fused into something called the "Irish national question". This had several components.

In the first place, the southern bourgeoisie was oppressed by the consequences of partition. It was deprived of the industrially developed North-East and as a result was subject to economic domination through the terms of trade

in mainly agricultural goods with the UK. Hence, it had an objective interest in the unification of Ireland.

However, over time the Irish bourgeoisie became conservative and not revolutionary as the nature and direction of its exploitation changed. The bourgeoisie made its peace with partition and became pro-imperialist. Rhetoric and a few secondary actions aside (themselves the product of the need to get the working class to vote against their class interest and for Fianna Fáil) the bourgeoisie surrendered its interest in completing the unfinished national revolution to the petit bourgeoisie and the working class. The Irish bourgeoisie may still prefer unification, but it is no longer prepared to fight for it.

In time the mass of the working class and petit bourgeoisie of the south gave up a spontaneous sentiment for unification and replaced it with support for an end to discrimination against Catholics inside the northern sectarian statelet.

Polls over the last ten years in the south show a minority in favour of unification with the North. In recent decades positive mass sentiment for Irish unity from the 26 counties has come only as a consequence of heightened mass struggle in the north pushing this to their attention. This was the case in the years 1968-72 when loyalist violence against the nationalist civil rights movement and the use of British troops to prop up loyalism prompted the mass of the workers and middle class to believe that in order to end discrimination in the Six Counties it was necessary to unify Ireland.

The original civil rights movement believed that Martin Luther-style mass marches and non-violent civil disobedience could bring down the sectarian statelet or at least force Britain to reform it. The limits of this reformist strategy were proven by the collapse of the 1973 Sunningdale agreement, when the British army and RUC refused to crush the reactionary Ulster Workers' Council Strike (1974).

The loyalists could not even concede peaceful reforms

## **In February 2000 Peter Mandelson suspended the Assembly after Trimble activated his resignation letter because there was no decommissioning**

and the British were not prepared to confront them even when they imposed direct rule. This vindicated the perspective that "the sectarian statelet cannot be reformed away", based as it was on the economic and political development of the Six Counties and the Irish Republic from 1921 to the 1980s, though it must be recognised that this is, nevertheless, only a long-lasting set of conditions, not an a-historical truth.<sup>3</sup>

Under the dynamic of the "peace process", could the northern state be made non-sectarian, so it was no longer an instrument of political, economic and cultural domination by one community (protestants) over the other (catholics)?



Between 1922 and the 1970s the anti-unionist population faced a unified bloc of reactionary classes – the so-called “Orange bloc”. From the 1880s onwards the unionist bourgeoisie had sponsored and nurtured this cross-class alliance with the protestant labour aristocracy and petit bourgeoisie to resist the growing claims of the nationalist movement for independence.

Independence (i.e. separation from the United Kingdom) spelled doom for the unionist bourgeoisie since its fundamental wealth and property were based on British and Empire markets. Hence, when the British could *neither* retain the whole of Ireland as a colony, *nor* grant all of it independence (both preferred options for Westminster ahead of partition), they conceded to the partition claims of the unionist bourgeoisie.

Pogroms, ethnic cleansing and gerrymandering were all part of the afterbirth of the Six County state of Northern Ireland in the 1921-23 period. It was specifically a “protestant state for a protestant people”, designed to defend and extend the “protestant ascendancy”, hence its permanent or rather, repeated, instability. With considerable autonomy and devolved powers, the local state machine persecuted its “disloyal” minority (republicans, catholics). It could neither integrate them as equals, nor allow them to unify with their southern majority.

The unionist capitalists and landed aristocracy, in its

majority promoted all this so long as they needed this state as a necessary political arrangement to guarantee their continued economic power. But what if the nature of this economic power – the content of its exploitation and trade – changes over many decades? Is it possible that the form of its political control could become outmoded?

The unionist bourgeoisie has three alternative political arrangements to the present sectarian statelet within the United Kingdom: one is towards a united Ireland; another is towards a united Europe; a third, which needs assessing, is that Northern Ireland becomes a “normal” region of the United Kingdom. Of course, these alternatives may themselves converge or substantially overlap, but it would be foolish in principle to exclude the possibility of the unionist bourgeoisie accommodating itself to a political framework that transcended the limits of the present six county statelet.

While the dominance of protestant-unionist big business in Northern Ireland is assured whatever the political arrangements, what cannot survive without the old institutions of protestant rule, are the privileges of the protestant working class and lower middle class.

Important and hitherto dominant sections of the protestant petit bourgeoisie and working class still need to keep a hold on to the machinery of privilege in order to keep themselves above the condition of their catholic

### THE CONSTITUENT ASSEMBLY

## Transcending the sectarian divide

NORTHERN IRELAND remains a deeply divided society and the Good Friday Agreement (GFA) and Stormont Assembly, entrenched and institutionalised that divide.

Stormont – with its confessional requirement to affirm which side of the divide you represent – squeezes the life blood out of a working class-based, progressive and democratic politics, and will ensure that the two communities do not “spontaneously converge” as a result of state-directed investments or economic policy.

And as the prospect (or threat) of a united Ireland becomes politically alive it will be debated out within this framework. Unionists fear the executive will lead to a united Ireland in which they are prisoners. While Sinn Féin have no vision of a united Ireland other than one ruled by today’s corrupt, bourgeois, pro-US, neo-liberalising parties, Fianna Fail

and Fine Gael. This is no basis upon which to transcend the sectarian divide within the Northern Ireland working class.

A revolutionary, socialist and democratic proposal would be to establish an all-Ireland constituent assembly that sets aside both the confessional rules of Stormont and the deeply reactionary constitution of the Irish Republic.

In such a constituent assembly democratically elected candidates could debate out the forms of legitimate autonomy for various communities or semi-nationalities, such as the northern unionists, that does not amount to a veto on the unity of Ireland or the sovereignty of an elected national government.

At the same time socialist and revolutionary democratic parties would present proposals to the constituent assembly aimed at ripping up everything that defends

corporate-led globalisation and private property in the means of production, that privileges any church or religion, or that discriminates against ethnic minorities, women or gays.

It would present the working class of Ireland, whether nominally catholic or protestant, with a programme that could unite it as a class against green and orange capitalists, who will find far more unity with each other than with working class members of “their community”.

Only a socialist republic of the 32 counties of the island of Ireland will resolve the bitter antagonisms that beset the Northern Ireland working class, since it will remove the foundations upon which green and orange bosses and capitalist farmers continue to manipulate and reproduce their hold over the working class.



equivalents. They consequently flocked to the banner of Paisley's DUP after the GFA was signed by the UUP, fearful that power-sharing would end their dominance.

The DUP's working class following has endured large scale lay-offs from the scaling down of the British and Ulster security machine. They have seen their jobs in the "old" industries of the north east disappear without being replaced. Paisley and the DUP played to the fears that Dublin's influence and power-sharing with "terrorists" would see Catholics prosper at Protestants' expense.

But despite many false starts, since 1998 Paisley and the DUP have, together with Blair and Dublin, "tamed the terrorists" and retained their veto over future policies they don't like. At the same time the DUP and unionists have had to accept that the statelet they have partial stewardship over now is not the "protestant state for a protestant people" that had existed between 1922-73. The Orange state in this old sense is being dismantled – that is, as a mini-state for the transmission and perpetuation of protestant/loyalist political privileges.

The British want to disengage from financial responsibility for garrisoning and economically propping up the northern statelet without at the same time being seen to concede to secessionist forces which might set a dangerous example for the mainland.

The republican leadership, Adams and McGuinness, promise their supporters that a united Ireland is an "inevitability" by around 2020. They argue that the higher Catholic birth rate will mean anti-unionists will form a majority of the population of Northern Ireland within two decades and thus secure a majority for a united Ireland in a referendum.

The DUP and unionist parties are not ignorant of this republican aspiration either. The DUP will use its position in the Assembly to resist it. It will seek further undemocratic constitutional guarantees from London and Dublin to prevent it – such as an insistence that a majority or even 60% etc of Protestants have to vote for a united Ireland, not just a majority of the people. In turn, such attempts and nationalist resistance to them could blow apart the whole edifice of power-sharing, which is fatally based on confessional, sectarian foundations.

But whether this comes about depends upon the course of UK and European Union political and economic developments in the next ten years or so. A benign scenario would be one in which, within the framework of the integration process of EU capital, economic conditions north and south are progressively equalised.

In this optimum scenario for the bourgeoisie both Irish nationalism and unionism are transformed into reform-

## **Despite many false starts, Paisley and the DUP have, together with Blair and Dublin, "tamed the terrorists" and retained their veto over future policies they don't like**

ist forces co-operating with one another to share the dividends in such a way that see both increased equality and general improvement in the condition of both "communities". In this case the protestant working class' fears of the consequences of a (more) united Ireland within a (more) united Europe would fade – leading to the final settlement of the Irish national question.

On the other hand, any crisis in the EU, the development of a two-track Europe or a serious fracture between British and Franco-German capital could disrupt the present course of development before the imperialist-bourgeois solution of the national question is complete.

Economic decline (including in the south) would find a political faultline in place through which reactionary, inter-communal divisions could erupt. Mass protest could again reveal that the national question still occupies a strategic place in the politics of both states and the "mainland".

The theory and strategy of permanent revolution are not yet exhausted. Indeed the surrender of its revolutionary tradition by republicanism (and maybe also the surrender of the plebeian counter-revolutionary tradition of Orangeism) presents a historic opportunity for revolutionary socialists to fuse the class and the remaining

### **ENDNOTES**

1. The AAI had provisions for limited cross-border co-operation and giving Dublin a say in the affairs of the North; it even suggested for the first time that if a majority of Northern Ireland wanted a united Ireland that decision would be respected. The unionists were furious and Sinn Féin was put on the back foot. The surprise deal reinforced the idea that constitutional nationalism could produce progress towards the nationalists' goal of a united Ireland.

2. Ed Moloney, *A secret history of the IRA* London 2002, p413

3. We should always beware of converting a relatively stable,

perspectival truth, into an absolute one. The South African left converted the undeniable truth – that of the super-exploitation of the black workers under apartheid – into the absolute concept of "apartheid capitalism". From this they drew the false conclusion that apartheid could not be abolished without abolishing capitalism as well. Some went even further and deduced from this that the struggle against racial oppression was itself, objectively the struggle against capitalism. But today in South Africa both capitalism and the economic super-exploitation of the black masses are surviving the destruction of political apartheid.





## MICROCREDIT

# Making poverty sustainable

*Microcredit schemes have been hailed by the development movement as the answer to everything from poverty to women's oppression, AIDS and now, it seems, war. And with nearly three billion people – half the world – living on less than \$2 a day there is an urgent need for action. But Clare Heath and Alison Higgins argue that microfinance is a utopian illusion designed to keep the poor in their place*

IN OCTOBER last year Muhammad Yunus was awarded the Nobel Prize for Peace for his work in setting up the Grameen Bank which pioneered small loans that are said to be transforming the lives of poor women across Bangladesh. One month later ex-UN Secretary General Kofi Annan pitched in with his endorsement: "There is no tool for development more effective than the empowerment of women and girls."

Microcredit, or microfinance, is the provision of small amounts of start up capital, typically given to women in the global south, to kick-start their path out of poverty and towards economic independence.

This credit is issued to people who don't have the security to borrow from a normal bank. Individuals put forward a business plan and promise to repay the loan. The loans are typically used to finance self-employment – for example buying a sewing machine to start up a clothing repair business, or buying goods to start small scale trading.

The schemes have been hugely popular in that they allow poor people to borrow without getting in debt to loan sharks, and the Grameen Bank alone has issued over £3bn to 6.6 million people. Worldwide, the Microcredit Summit Report of 2006 states that 3,133 Micro Finance Institutions (MFIs) have 113 million clients and through them reach 410 million other family members.

The idea has been taken up enthusiastically by development organisations, international agencies and anti-poverty campaigners. According to the UN Millennium Development Project, "microfinance is one of the practical development strategies and approaches that should be



implemented and supported to attain the bold ambition of reducing world poverty by half."

Even better: "Lasting peace cannot be achieved unless large population groups find ways in which to break out of poverty. Microcredit is one such means. Development from below also serves to advance democracy and human rights," claimed the Nobel Peace Prize-givers.

## An old idea

The idea that lending people money will help them escape poverty is not new. In the eighteenth century, Adam Smith wrote in *The Wealth of Nations*:

"Money, says the proverb, makes money. When you have got a little, it is often easy to get more. The great difficulty is to get that little".

Smith believed that, given the opportunity, people will use money wisely to support their families and communities. The microcredit movement incorporates a further belief, which is that women in particular will use money wisely. Many of the schemes particularly target women for the following reasons: women are more likely than men to live in extreme poverty; women have less access to other forms of capital and income; women invest in their families which in turn improves health, education and the community; and women pay their loans back on time.

International financial agencies such as the World Bank are keen to promote women's rights as an essential part of economic development. Promoting economic independence of women is, of course, a positive step since it can mean women escaping some of the most brutal repression in the family and community. Microcredit is seen as one way of achieving this and hence its centrality in many feminist-initiated women and development programmes. It has also been taken up enthusiastically in Venezuela under the left wing government of Chavez in a deliberate attempt to promote women's economic independence.

But does it work? In general, no. While it may lift some women and families out of the worst poverty, it doesn't tackle the underlying causes of that poverty, nor of the systematic inequalities that women suffer.

One detailed evaluation of the Grameen Bank in Bangladesh found that the system of loans did nothing to challenge existing patriarchal structures, including extraordinarily high levels of violence against women within the family. Indeed, the ability for the women to obtain loans in some cases increased tensions and violence in the family, as women were expected to take on even more roles.

In other cases, women, whilst formally in receipt of the loans, still didn't get to control them or the income they received (their husbands and fathers did). In addition, the women who are in receipt of 97% of the loans are expected to adhere to 16 "decisions" – social norms to promote good citizenship. These too create tensions as women are unable to live up to them; for example "We shall plan to keep our families small. We shall look after our health". This is all very well, but in the absence of good health care, contraception and female control over their fertility, it is utopian. How can women control fertility in the face of continued and brutal male domination –

a recent study in Bangladesh found that 37% of married men had sexually or physically abused their wives within the previous year. Women receiving loans also have to agree to "minimize our expenditures", which is a rather sick joke given how poor they already are.

In fact the very way in which the Grameen Bank was set up is controversial, as explained in the *Economist*: "By legend, Grameen grew out of a \$27 loan Mr Yunus made in 1974 to a woman manufacturing furniture who did have credit, but at an exorbitant price. Grameen emerged soon thereafter, based on several key operational techniques: loans were made to individuals but through small groups who in effect (if not explicitly) had joint liability; the loans were for business, not consumption; and collection was

## International financial agencies such as the World Bank are keen to promote women's rights as an essential part of economic development

frequent, usually weekly. Interest charges were significant – the money was not aid, and a fundamental tenet of Grameen is that the poor are creditworthy – but the rates were relatively low (currently just above 20%)."<sup>1</sup>

A similar rate to store cards in the west then – not exactly a bargain! Following Yunus's initial loans from his own pocket, the capital for the bank still had to come from public and private donors while clients were offered relatively low rates and had low savings. The group liability model began to break down as some group members did relatively well and others did not, so conflicts erupted and some group members wanted out.

It also became clear that many loans were indeed used to supplement daily income or for emergencies as opposed to being invested in businesses. And Bangladesh, despite the hype surrounding the thirty year record of the Grameen Bank (as well as the various other similar MFIs operating there), is still one of the world's poorest countries in the world – around half of its 130 million people still live on incomes below the poverty line.

Far from eradicating poverty it is not clear that microcredit makes much of an impact on poverty at all. Even the *Economist* has its doubts: "A deeper question is just how helpful such tiny loans really are. Heart-warming case studies abound, but rigorous analyses are rare. The few studies that have been done suggest that small loans are beneficial, but not dramatically so."

An evaluation in Pakistan found that microcredit did help some poor families out of the poverty trap, but it favoured those who were already better placed, including those with smaller families and higher income, and it completely failed to help the very poor, the young and the destitute. Microlenders want their recipients to become self-sufficient, preferably in a short space of time – hence they are unlikely to focus on the very poorest people, especially those in hard to reach rural communities.



MFIs are not charities, and may also charge higher interest rates to cover the costs of longer term or riskier borrowing – in this way microcredit schemes can even create a debt burden. The experience of MFI clients living with HIV/AIDS is instructive about the nature of microcredit as a development tool; in sub-Saharan Africa 40% of clients could expect a death in the family within a year. Since the costs of a funeral can easily equal the annual income of a microentrepreneur MFIs sell savings and insurance schemes (e.g. health insurance for \$60) because, follow-

### **One of the reasons so many women are in dire poverty is that global capitalism has robbed them of their land and their self-sufficiency in the first place**

ing the Structural Adjustment Programmes pushed by the World Bank and IMF in the 1990s, there is little or no social health provision. In parts of Africa where HIV/AIDS infection is pandemic, MFIs get round the problem posed by poor health, increasing numbers of dependents in families and short life expectancy by selling loan protection and health insurance to their clients. Their business plans contain strategies to “control the impact of HIV/AIDS and create greater security for the institution against infected clients”.<sup>2</sup>

For people living with HIV/AIDS, becoming a microcredit client is essential to pay hospital fees, for medication and for funerals. It has become established fact that women in developing countries suffer most from neo-liberal policies and privatisation: girls are the first to be pulled out of schools when education has to be paid for, and the burden of caring for the elderly, sick and dying falls on women when state provision is removed.

Microcredit has emerged with this neo-liberal counter-revolution against state funded welfare provision. The logic of microcredit is self-sufficiency – no more reliance on the state to provide, even in the most desperate of circumstances. As one commentator has pointed out, “Governments like microloans because they allow them to abdicate their most basic responsibilities to poor citizens. Microloans make the market a god.”<sup>3</sup>

### **Overcoming social oppression?**

Women's NGOs have been very successful in promoting microcredit programmes as a means of improving the lot of women, and now huge swathes of development funds from international agencies such as USAID and the World Bank are poured into microcredit. But while they appear to offer women a degree of economic independence, in most cases they have failed. Indeed some of the most detailed evaluations of schemes have shown that they increase women's dependence on the informal economy which is insecure and often transient.

The essence of microcredit is for women, either alone or in groups, to establish small businesses for trade or manufacture. The loan provides start up costs that then have to be repaid quickly and regularly. Any student of economics will understand that for such pump priming capital to create more money it has to expand, and to do that the business needs to start growing. This can only happen if other people are employed, exploited, and then the trade can make a surplus that can be reinvested or, eventually, profits taken out to increase the income of the owner. In the small scale businesses promoted by MFIs these employees are initially other family members, usually daughters, who are thus exploited. But even then if a small trader or manufacturer starts to be successful they will come up against other companies, and be forced to reduce costs to compete. The utopianism of the whole idea is that it assumes families and communities can be lifted out of poverty through reinventing small scale capitalism. If any were to succeed they would soon be bought up or forced out of business by the large capitalist corporations. Of course a tiny number of businesses will succeed, but for the majority the loans are merely a way of allowing some families to survive the ravages of capitalism without costing the state anything.

It is worth remembering that one of the reasons so many women are in dire poverty is that global capitalism has robbed them of their land and their self-sufficiency in the first place. What these women need is decent jobs with living wages, together with the social and welfare infrastructure to allow them to work. Promoting entrepreneurship as the answer to global poverty is a sick joke, when all “profitable” businesses that can provide decent living standards for their owners depend on cornering a large market (of people with money to spend), economies of scale and mass exploitation.

Microcredit programmes have also reinforced a reactionary view of the inherent worthiness of poor women as opposed to the fecklessness of men. MFIs and NGOs have promoted women as a good investment for such monies. One feminist writer has commented on this ideological assault that promotes women as the saviours whilst absolving the state from any responsibility for poverty:

“Since men are less likely than women to pay back loans, more likely to spend their income on themselves rather than their households, and to participate in the petty corruption that is a route to local political influence, these claims have real force. On the other hand, like all powerful ideologies, they also rest on a very partial picture and have the unintended consequence of further solidifying the neo-liberal agenda. Third World women are set up as a reproach, not to the forces of capitalist domination, but to those who supposedly lack their courage and determination to negotiate the market – that is, the “dependent” men of poor countries who have relied on the state to protect them from the competitive challenges of the market.”<sup>4</sup>

It is important, however, to distinguish between ideology and reality. A paper presented to the Microcredit Summit in 2006 pointed out that women are often not good business people.<sup>5</sup> The author, Irene Mutalima, head of an MFI in Zambia, reports that women often venture



## VENEZUELA

# Banmujer and the Bolivarian revolution

ON INTERNATIONAL Women's Day in 2001, the populist Venezuelan government of Hugo Chavez established the Women's Development Bank, Banmujer. According to the Venezuela Information Exchange, in four years the bank has assisted 90,000 women and helped create over 200,000 jobs.

The aim of the bank is the "formation and growth of small enterprises" and, through this, women's "participation in the Bolivarian Revolution". Credit is not given to individuals but to small groups, often neighbours. Community-based solidarity networks verify the use of the credit and chase up repayments. Co-ops are encouraged but so far the majority of the loans have been used to establish small businesses such as organic coffee production.

Over a hundred solidarity networks have been established so far and the aim is to develop local councils of women to control the bank's future direction – part of the Bolivarian town council model of "participatory budgets" developed in Brazil. The loans programme is combined with education and training, and there are programmes aimed at disadvantaged women e.g. former prisoners, pregnant teenagers, sex workers and the elderly.

So can women in Chavez's Venezuela turn microcredit into a tool that really empower's poor women or does it face the same pitfalls as in other parts of the world? Nora Castañeda, head of Banmujer, claims the bank is a means of "putting the economy at the service of the people" rather than, as is usual, the other way round.<sup>1</sup> She is personally responsible for choosing or approving bank representatives, intended as a guarantee against corruption. The representatives, in accordance with bank policies, then approve loans. With an

estimated 60% of poor homes in Venezuela headed by women, Castañeda's motives are laudable, the "use of microcredits for income generation as part of building a women's movement ... [so that] women are funded to lift themselves out of poverty in collective, socially responsible ways that shift ... the basis of the economy and the whole of society", but as with much in relation to the Chavez regime, sadly the rhetoric is more radical than the reality.<sup>2</sup>

The idea of the Banmujer developed from the inclusion of Article 88, pushed for by women's organisations, in the Bolivarian Constitution. This, as Castañeda explains "acknowledges the fundamental importance of [women's] unwaged caring work", according women "our rightful dignity". Women in Venezuela are used to having sole responsibility for families; care of children and the elderly, and domestic abuse is rife. Women's work was and is undervalued in the home and outside of it. Women's work has tended to be in the informal sector – informal domestic service or street selling. Unfortunately, the work of Banmujer does not really challenge the traditional roles women are assigned but tends to institutionalise them. Women are encouraged to set up small-scale businesses and co-ops to develop the street selling they were already doing. But how can this mean that the economy is at the service of the people unless there is planned production? Article 88 tries to give value to domestic work but without even attempting to socialise it (for instance through community nurseries, laundries and canteens) – so the responsibility still rests on the shoulders of individual women – even the most ardent supporters of Article 88 are beginning to be concerned at its lack of implementation.

The difference between

the populist implementation of microcredit schemes and those in countries where neo-liberal policies are pushing the development agenda is that while in Africa and Asia microcredit is being used to force the poor to pay for services the state used to provide, Venezuela's oil wealth means that social programmes for health provision and education are increasingly in place. Women in Venezuela are being given the opportunity to organise together and start co-ops and small businesses without quite the same desperate circumstances and with a social safety net unavailable to their sisters in many parts of the semi-colonial world, and education and training packages are still integral to the schemes. But as to what happens when women's small businesses become big ones and begin to employ and exploit other women, or when women's co-ops come into competition with each other, is not addressed.

Co-operatives in Venezuela operate outside labour laws. They are covered instead by special laws relating only to co-operatives. This means co-op members do not have to be paid the minimum wage – accordingly most are not. Women in Venezuela therefore remain highly exploited – through their work in the home and as members of co-ops or small businesses – putting in long hours, forgetting to account for labour costs and, as elsewhere, employing their own daughters in a bid to make their small enterprise a success against the odds. The danger is that women's organisation and fightback are undermined by the inevitable failures of such schemes.

## ENDNOTES

1. Quoted in Nora Castañeda and the Banmujer, *Creating a Caring Economy*, Crossroads Books, January 2006

2. Stuart King, "Venezuela: What type of socialism in the 21st century?", *Permanent Revolution* 3, Winter 2007



into the already competitive marketplace with "scanty preparation", that is, no business education or acumen "save for the desire to do anything that will sustain their family" at a time of need. Their husband may be sick or out of work and women's businesses are often seen as a stop gap in this situation. Mutalima points out there is a "lack of ambition", the business often performs dismally and thus, women-run businesses have the shortest life cycle in Zambia – four years.

### Small is big business

If anyone thought this movement was a way to get round capitalism and promote some utopian dream based on small traders, think again. Microcredit has become so mainstream that one Wall Street spokeswoman argued that it was "a very attractive new asset class worth considering in a diversified investment portfolio strategy".<sup>6</sup>

Papers to last year's Microcredit Summit explored how as microcredit is increasingly part of the regular commercial banking sector, women's empowerment and even participation, is pushed to the sidelines. Mutalima showed that while MFIs started off considering themselves "gender sensitive financial institutions", they were increasingly pulled away from considering the interests of the women clients they professed to champion.<sup>7</sup>

At start up, MFIs tended to be "donor driven", and if this donor, say an NGO, had an interest in women's development issues then this would be the early focus of the organisation. However, as the MFI becomes established, donors increasingly begin calling for "sustainability"; in short, to stop relying on donor funds. This means the MFI has to become efficient. It has to cut costs, and begins to move towards regulation and commercialisation, increasingly prioritising "profitable products", by which time gender considerations have been firmly relegated to the background as the smaller loans that women clients can afford are phased out.

Susy Cheston, like Mutalima a part of the MFI group Opportunity International, also grapples with the shift in focus away from women and development in MFIs. She notes that a study by Micro Banking Bulletin found that the highest percentage of female clients were to be

men than for women, and that this was also the case in the MFIs that specifically targeted women and women's projects!

Cheston herself epitomises the strand of liberal feminism that hangs on to the dream of small-scale business development as a way out of poverty for women of the semi-colonial world. She recognises that without a focus on gender equality MFIs overlook basic issues such as women's lack of property rights, the fact that they can't show legal ownership of assets in many cases and therefore find it increasingly difficult to access microcredit.

In Malawi, she highlights a project with a high exit rate for women of 58% where it was found that women joined the microcredit scheme because they wanted to bring extra income into the household but not so much that men would withdraw their contributions. They wanted cash to pay for food and personal expenses but not to upset existing financial arrangements within the household.

Cheston's answer to such structurally embedded inequality is "gender mainstreaming" by which she means more women employers and decision makers – a classic liberal feminist response which seeks to transform a few women at the bottom of the pile into middle class professionals. Even so, she knows this solution is unlikely as increasing drives to "professionalism" in MFIs makes it less, not more likely, that women will be among their staff; of fifty accountancy students graduating from a Kenyan university last year, only two were women. And the old model of MFIs packed with committed staff working long hours, going out into communities taking their services to the clients is becoming a thing of the past with the drive for cost-cutting.

Even the award-winning Grameen Bank was not immune to the laws of finance capital:

"The classic Grameen model began to fray in the 1990s and hit a wall in 1998, when a devastating flood pushed up losses and people began missing weekly payment meetings. Mr Yunus was no doubt familiar with microfinance innovations in other countries: BRI in Indonesia had transformed itself from a wreck into a huge success by emphasising savings, not credit, and other institutions had started to abandon group lending. Grameen restructured in 2001, emphasising savings (deposits now exceed loans) and relying less on joint liability for groups."<sup>9</sup>

Mohammed Yunus has been honoured as microcredit becomes part of the mainstream both of neo-liberal poverty reduction programmes and of finance capital. Increasingly, MFIs are being set up as commercial enterprises from the start, for example ACCION in Brazil which has controversially separated its financial services from any links with social services from the start. The effect of the innovative approach of the Grameen Bank thirty years on is that microcredit has been taken up by the regular banking sector at the same time as liberal policymakers have accepted that for the system to spread, for the poor to get access to credit, the institutions must be profitable and efficient – this means the "development community" has moved to agreeing with the multinational finance houses that it is fine to make money from the poorest of the world's poor.

Such new MFIs, without donor funds, start off with

### The old model of MFIs packed with committed staff working long hours, going out into communities is becoming a thing of the past with cost-cutting

found in "young" MFIs run by NGOs or as credit unions – small scale, not for profit and not financially self-sufficient, and that the "trend towards commercialisation and large scale outreach means a reduced focus on women".<sup>8</sup> Of Opportunity International's own microcredit clients, Cheston found that the average loan size was bigger for



interest rates of up to 65%. It's not hard to see the potential for profit making – such MFIs are using new technology (e.g. banking via mobile phones) to open up huge new market, for example Pro Credit in the Democratic Republic of Congo where there are 69 million people and only 50 bank branches. This seems a long way from Mr Yunus and the Nobel Peace Prize, as what started as a development tool becomes big business. As the Economist notes, "chances are it will soon be micro no more".

Microcredit empowerment programmes promised to solve women's problems by getting them to invest in capitalism. It has allowed a privileged few to climb out of the pit of poverty, turning a handful of these into mini-capitalists able to exploit others. The vast majority are sustained in their poverty, increasingly dependent upon themselves and finance capital as the state retreats from any and every obligation to provide for services and infrastructure that can keep communities alive.

#### ENDNOTES

1. "Macro credit", *The Economist*, 19 October 2006
2. Quoted in a paper by Pauline Achola to the 2006 Microcredit Summit
3. Alexander Cockburn, "A Nobel Peace Prize for Neoliberalism – the myth of microloans", *Counterpunch*, [www.counterpunch.org](http://www.counterpunch.org)
4. Johanna Brenner, "Transnational feminism and the Struggle for global justice", *New Politics*, vol. 9 no. 2 (new series), Winter 2003
5. See [www.microcreditsummit.org/summit/previous.htm](http://www.microcreditsummit.org/summit/previous.htm)

Women's oppression has not been significantly challenged by the microcredit movement, in some senses it has been reinforced. Microcredit is used to force the poor to pay for health and social care, and ultimately it has been co-opted by the institutions of finance capital to break into new markets and force even the poorest of the poor to become financial consumers.

Microcredit illustrates how liberal ideology has shifted in the face of neoliberalism: the poor no longer have social rights (to welfare or aid) but social responsibilities to support themselves and their families whatever the objective obstacles – poor women, in particular, are now responsible for the development of their own circumstances and thus that of their communities. However, the real blocks to poverty alleviation, such as land hunger which Kofi Annan cited as the "most critical single cause of rural poverty", are entirely unaddressed by the miracle – or is that mirage – that is microcredit.

6. "From charity to business", *The Economist*, 5 March 2005
7. Irene KB Mutalima, "Microfinance and gender equality: are we getting there?", [www.microcreditsummit.org/papers/Workshops/28\\_Mutalima.pdf](http://www.microcreditsummit.org/papers/Workshops/28_Mutalima.pdf)
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9. "Macro credit", *The Economist*, 19 October 2006

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# How the Stalinists crushed the revolution

*This May is the seventieth anniversary of the Barcelona uprising that proved a turning point in the Spanish Civil War of 1936-39. It was a battle that could have led to a great victory for socialist forces, both in Spain and internationally, instead, it turned into a bloody rout, as Stalin and his allies sabotaged the anti-fascist movement and murdered its vanguard, argues Keith Harvey*

SEVENTY YEARS ago Spain was in the grip of civil war and the revolution was fighting for its life. A year earlier in July 1936 workers and peasants threw themselves into battle to defeat the attack led by General Franco against the Popular Front government.

The leaders of that government, elected five months earlier in February, were more afraid of arming the workers than they were of Franco's fascist insurrection. As a result the chance to crush the revolt easily and swiftly was lost.

Over the following year a revolution in the factories and on the land in the Republican (anti-fascist) controlled areas erupted. The Popular Front set out to stop this revolution in its tracks. Worse, the Communist Party of Spain (PCE) – which operated under the direct control of Josef Stalin in Moscow – used its power in the cabinet and Republican army to sabotage and repress the revolution.

In pursuit of Stalin's principal foreign policy objective – appeasing the British and French governments – the Stalinists launched a murderous counter-revolution within republican Spain. The guns of the "communists" were turned against the very forces that could have delivered victory against Franco – the insurgent workers and peasants.

In the spring and summer of 1937 the Stalinists used their power within the Republican army to crush the

anarchists in Catalonia and then Aragon. In doing so they killed off the life force of the revolutionary resistance to Franco's fascists and ensured their own defeat.

Is this shameful episode of Stalinism's history still relevant today, years after the collapse of the USSR? Stalinism did not disappear when many of the states in which it formerly ruled collapsed. Defending capitalist private property and its limited form of "democracy" against working class revolution remains a lynchpin of Stalinist "popular front" politics wherever it still enjoys influence in governments today, from India to Italy. So the lessons of the Spanish Civil War do indeed remain vital for today's struggles to achieve working class revolution.

## The Popular Front

Hitler came to power in Germany in 1933. Immediately, his government increased its hostility to the USSR and in response Stalin's foreign policy underwent a profound change. The Kremlin bureaucracy set its sights on securing a pact with "democratic" imperialism – principally France.

The French Communist Party (PCF) was given the go-ahead to pursue "a united workers' and broad popular front" in 1934. This entailed political unity with not only the social democrats but also the bourgeois radicals. The



Communist International's Seventh Congress in August 1935 committed the entire Comintern to the pursuit of the Popular Front.

As a result of the role it played in the Asturian uprising in 1934 – when a short lived and savagely repressed commune had been established to combat Lerroux's government – the Spanish Communist Party (PCE) grew steadily in the following two years. By the February 1936 elections it was 20-30,000 strong. The election results exposed the rapid class polarisation that had taken place in Spain. The total vote for the Popular Front (the social democratic PSOE, PCE, and republicans) was evenly matched by that for the Catholic, monarchist, crypto-fascist right. The parties of the centre – the large moderate Republican groups – were obliterated. The previous Prime Minister, Lerroux, didn't even get a seat. After the election, the PCE's first programme for the new government was minimal. It called for the immediate seizure of the largest estates, the separation of church and state, an end to church subsidies and the formation of a "people's army".

Time and again the PCE and the Comintern stressed the "democratic" character of the Spanish revolution. At a May meeting of the Comintern executive committee its Stalinist leader Dimitrov heaped praise on the PCE for criticising "the leftist slogans of the left socialists headed by Largo Caballero, who proposes to begin immediately the struggle for the socialist republic".

There were urgent bourgeois democratic tasks to be carried out in Spain, and revolutionary socialists, the Trotskyists, recognised their importance. But the Stalinists not only sought to constrain the revolution to a democratic stage, they tried to limit the revolutionary democratic struggle itself. For example, the key question of February to July 1936 was: by what methods were democratic tasks, such as land redistribution, to be carried out, piecemeal by legislative reform at a pace and scope suitable to the Republican government? Or radically, from below, by workers and peasants at a pace and scope that frightened the republican bourgeoisie and even threatened to go far beyond the boundaries of radical democratic demands?

Although the PCE reported favourably on some of the early land seizures, after February it became increasingly alarmed when the workers and peasants took steps far in advance of the Popular Front programme.

The key to the Spanish revolution was the agrarian question. The Popular Front passed a mild agrarian reform law on taking office. Without satisfying the peasants it encouraged them to action. The peasants "calculate that the agrarian laws plans fifty thousand settlements a year which means it will take twenty years to settle a million peasants and more than a century to give land to all. Realising this, the peasants just occupy the land."<sup>1</sup>

In the cities the class contradictions exposed by the victory of the Popular Front were just as stark. In the spring there were numerous strikes over wages, conditions and to win an amnesty for prisoners. Prisons had been thrown open and all the victims of the repression after the October 1934 rising had been released by workers and taken back into the factories to their former jobs.

The decisive strike wave began on 1 June when 70,000 building workers struck indefinitely for higher pay.

Although by 4 July the Ministry of Labour had conceded the original demands the strike had gone far beyond them. Many workers were armed, originally to protect themselves from Falangist attacks. The anarchist led union, the CNT, had formed a Central Defence Committee. This commanded widespread support in the industrial centres. Workers were also realising their strength in more novel ways:

"... the strikers, weapons in hand, forced the shopkeepers to serve them, seized restaurants and ate without paying."<sup>2</sup>

Faced with this wave of working class militancy the Falange and the army began making preparations for a counter-revolutionary uprising. Since August 1932 the

## **Early in 1936 a favourite slogan of the left wing of the PSOE was "if you want to save Spain from Marxism, then vote Communist"**

right had been openly discussing a coup d'état, and at a meeting of top generals in early March 1936 preparations were set in train. This was well known to the Republican leaders. But they preferred to cover it up so as not to inflame the situation. On the night of 17-18 July, led by General Franco, 50 garrisons revolted. Only 500 of the 15,000 army officers stayed loyal to the republic, together with about 5,000 of the 34,000 civil guards. Within weeks the army and Falange controlled half of Spain. The civil war had begun.

## **Stalin's foreign policy**

Early in 1936 a favourite slogan of the left wing of the PSOE was "if you want to save Spain from Marxism, then vote Communist". But what was originally an electioneering campaign jibe became a tragic reality during the civil war, primarily because of the Kremlin's attitude to Spain in the wake of the Franco rebellion.

After the signing of the 1935 Stalin-Laval Pact (the Kremlin's diplomatic deal with France) Moscow felt it was in its political interest to block the rise of fascism in Spain. Stalin argued that this was also in the interests of France and Britain since success for Franco's German and Italian backers in Spain would threaten both of these "democracies". Stalin understood that leading factions of the French and British ruling class regarded the USSR as the greater evil in Europe, compared to fascist Germany or Italy. At that stage they were unwilling to see Hitler defeated as Germany was a bulwark against the USSR. Stalin's foreign policy was reduced, in effect, to an attempt to get governments elected in Europe which were hostile to German war aims. For its part British imperialism had an interest in deflecting Germany's advance in order to allow it time to rearm.

This diplomatic strategy meant that the Soviet bureau-



cracy's aim in Spain was above all to prevent the success of a socialist revolution in Spain, which would antagonise Britain and France and risk throwing them into a block with Germany against the USSR. It also meant that every effort had to be made to enlist France and Britain to help the Republic beat off Spanish fascism. As a PSUC (Catalonian Communist Party) leader said at one public meeting:

"... in the democratic bloc of powers, the decisive factor is not France; it is England. It is essential for all party comrades to realise this so as to moderate [their] slogans at the present time ... cost what it may."<sup>3</sup>

"Cost what it may" was a threat issued to the Spanish workers by Stalinism. This reactionary schema was based on the false premise that Britain preferred the victory of the Republic over Franco. In fact the reverse was true, because Britain rightly feared that a Republican victory would be but a passing phase in the Spanish socialist revolution and could lead to long drawn out instability in European politics. Given this, the opening weeks of the Spanish civil war gave the Comintern and the PCE cause for concern. The working class were on the offensive and in the north and east they had disarmed the army, stormed the barracks and everywhere were in control. Within a week dual power – organs of working class

### **The local committees organised all the basic services. They commandeered hotels, private houses and commercial premises for use as hospitals, schools, militia billets and party headquarters**

power competing directly with those of the bourgeoisie for dominance – had been established in the Republican held areas. By September 1936 Koltzov, Stalin's personal agent in Spain, estimated that about 18,000 industrial enterprises had been taken over by the workers.

In Catalonia about 70% of the factories kicked out all management from the plant. In Madrid it was more common for managers to remain but under the direction of the workers. Only in the Basque region was there hardly any workers' control. Wherever the CNT was the strongest organisation in industry the firms were collectivised to use resources more efficiently. In Catalonia the CNT/UGT closed down 46 out of the 72 foundries and did everything in the remaining 24.

The most dramatic upheavals took place on the land. In Catalonia the mass of peasants were smallholders and leaseholders glad to be rid of rents and eager to gain more land. Collectivisation of the land was limited there, but in Aragon it was a different story: the bigger estates were collectivised by the agricultural workers of Aragon. Very soon 70% of the population (about 500,000) in the area were members of the collectives.

The greatest advances of all were at the political level. PCE leader Ibarri commented, more in fear than in hope, that in these weeks, "... the whole state apparatus was destroyed and state power lay in the street." While the state was not completely destroyed it was certainly in total disarray. The Republic had no army except for the workers' militia and the Republican government continued to exist but it was impotent.

### **Dual power in Spain**

Real political power was being exercised by the workers' militias operating both as an armed and a political force. The cabinet of Giral had no authority beyond the suburbs of Madrid. There, however, the workers' political alternative was weakest. By 27 July the official police had re-established control of the streets. Conversely, in Barcelona the workers were in power, controlled the streets, patrolling in ordinary clothes not the uniforms of a separate force. Tens of thousands of arms had been distributed. No bosses were to be seen; their posh haunts had been closed down, their restaurants and hotels commandeered, beggars were off the streets and being cared for.

The revolutionary committees that ruled Republican Spain went by dozens of different names from region to region and they were under the control of different political parties in each area. In Catalonia power was exercised by the Anti-Fascist Militia Committee and existed alongside and over the Generalidad of President Companys – the regional government of Catalonia. In Valencia the Popular Executive Committee existed alongside Barrio's Provisional junta.

Yet it was in Aragon that the most democratic power existed – the Defence Council. It was the only regional body in Spain that drew its authority from direct elections from local town and village committees. Enforcing its political power was the armed militia, organised and controlled according to political allegiance. There were 50,000 in the CNT militia, 30,000 in the UGT, 10,000 in the PCE/PSUC and about 5,000 in the militia of the POUM. In these first weeks nothing was done unless it was through or by these revolutionary committees.

One historian summarised the situation as: "Every town and village had its revolutionary committee, which was supposed to represent the political balance in the community. It was responsible for organising everything the government and local authorities had done before. The local committees organised all the basic services. They commandeered hotels, private houses and commercial premises for use as hospitals, schools, orphanages, militia billets and party headquarters."<sup>4</sup>

The PCE wished to see this revolution halted and reversed from the very start. Even in the period of revolutionary advance, when the most left of the Republican bourgeoisie dared not try and stop the onward march of the masses, the Stalinists assumed total responsibility for standing against the stream of revolutionary events. Even before the Stalinists entered the government they railed against the land seizures. The PCE repeatedly stated in its press that "to embark on such projects is absurd and equivalent to playing the enemy's game".



Springing to the defence of the Republican landlords – who, although being considerable employers of agricultural labourers, were consistently dubbed “small farmers” – the PCE declared ominously: “... that those who attack this property must be regarded as enemies of the regime.”

Their attitude to workers’ control in the factories was the same. They supported only the nationalisation by the Republican government of openly pro-fascist capitalists, rather than workers’ control across industry. They constantly attacked the collectives as “wasteful” and as undermining the maximum mobilisation of resources for the war effort.

Politically, Stalin and the PCE had set definite limits to the Spanish revolution. For the Comintern André Marty stated:

“The working class parties in Spain, and especially the Communist Party, have on several occasions clearly indicated ... that the present struggle in Spain is not between capitalism and socialism but between fascism and democracy. In a country like Spain, where feudal institutions and roots are still very deep, the working class and the entire people have the immediate and urgent task, the only possible task not to bring about the socialist revolution but to defend, consolidate and develop the bourgeois-democratic revolution.”

This argument was false to the core. The techniques of production on the land may have been “feudal” but the property relations were thoroughly capitalist. Land had been bought and sold for years, like any other commodity. Big landowners were completely tied up with – in many cases identical with – the captains of industry and finance. The notion of fascism as being a feudal reaction to democracy was a threadbare justification for the Popular Front. Spanish fascism, as with its German twin, was an instrument of finance capital against the working class.

In the summer of 1936, during the early weeks of the revolution, while the workers and poor peasants were consolidating and extending their gains, the Stalinists tried to intervene to call a halt to the process. The worst example of Stalinism’s class treachery was in Catalonia: on 2 August the bourgeois nationalist, Casanovas, attempted to restore Republican authority by forming a cabinet. He offered the PSUC three ministries which they immediately accepted. The CNT and POUM workers reacted so ferociously that on 8 August the PSUC had to resign or lose all credibility with the masses.

## Kremlin manoeuvres

At an international level the diplomatic manoeuvres of the Kremlin fully backed this conservative line. During the last two weeks of July 1936, Moscow’s press carried a good deal of coverage on the civil war. Trade union levies were organised and money – strictly for medical aid – was sent to the Republican government, relations with the revolutionary committees were shunned.

In early August, Britain proposed a Non-Intervention Committee. The USSR replied that, “the government of the USSR subscribes to the principle of non-interference in the affairs of Spain.” To show its sincerity the Kremlin ceased

reportage on Soviet support for the Spanish Republic, and no attack was made on the policy of neutrality.

From its inception to its demise this committee was a pure farce whose only purpose was to restrain the hand of the USSR and absolve Britain and France from giving military aid to the Republic. Meanwhile Germany and Italy continued to pour troops (e.g. 40,000 Italian troops) and arms into Spain to help Franco.

In September 1936 tanks and fighters were sold to the Republic by Stalin. They were poor quality small arms, good tanks (better than those of the Germans), but inferior planes. Crucially, this was not free aid, borne of international solidarity. All in all 174 tons of gold (27.4% of total Spanish gold reserves) was sent to Moscow for payment. Beevor notes: “Nothing was free and many charges appeared to have been exaggerated.”<sup>5</sup>

This parasitic demand had dire consequences for Spain’s economy. When news of the reserves being sent abroad got out the peseta collapsed by half in two months at end of 1936 and import prices shot up, causing living standards to slump further. In autumn 1937 the USSR granted the republic credit of \$70m at 3% interest; and in spring 1938 they asked for a further \$85m mainly to buy Russian arms, but the requests were ignored.

## Taking control of the state

Throughout the civil war the Stalinists held only two minor posts in the various cabinets, at Stalin’s insistence so as not to antagonise Britain and France. Similarly, the Comintern communiqués insisted that their representatives on the ground in Spain were there strictly as “advisers”.

But behind this facade of impotence the Stalinists steadily built up their power and control of the state. The process began by a simple process of blackmail: if you want arms then you must follow our “advice”. The key was to take control of the army away from the ministers.

Beevor says: “They managed to place L-C Antonio Cordon as head of the technical secretariat of the ministry of war where he controlled pay, promotion, discipline, supplies and personnel.”<sup>6</sup> The PCE also got rid of the head of chief of operations and replaced him with their own man.

By March 1937 the PCE had 27 of 38 key commands in the Central Front and a report claimed “the Party therefore now has hegemony of the army.” The PCE also set up a police school which they used to fail those who refused to accept party membership; by autumn 1937 the secret police was in the hands of Soviet Internal Security (NKVD).

There were, however, serious obstacles to this PCE line. Prime Minister Caballero, for example, wanted to marginalise the POUM but was not prepared for an all-out attack on the mass of workers and peasants. He was fearful of losing his mass UGT base by attacking workers’ control in the factories and completely destroying land reforms.

Under pressure from the PCE to launch attacks on the anarchists Caballero struck up an alliance with the CNT in order to obstruct such measures. Similarly he tried to ally with the CNT in order to resist the dissolution of the militias into a “mixed brigade” regular army.

The Stalinists attempted to put heavy pressure on Caballero to dissolve the militias and place their own



key figures in command of the war effort. Soviet Ambassador Rosenberg visited Caballero daily in order to press this matter. Yet in February Caballero re-assigned several top PCE military men and replaced them with his own supporters. At the same time he was obstructing proposals to fuse the PSOE and PCE and attempts by the Stalinists to secure leading positions within the UGT.

It is no surprise that the March 1937 PCE Central Com-

### **The Stalinists steadily built up their power and control of the state. The process began by a simple process of blackmail: if you want arms then you must follow our "advice"**

mittee decided to try and oust Caballero. This was done in alliance with the leaders of the right wing of the PSOE – Negrin and Prieto. They had both come to realise that the PCE was the best bulwark against revolution. Hand in hand, the Stalinists and the PSOE right were prepared for a show down with the vanguard of the Spanish revolution – the workers of Barcelona.

#### **The battle for Barcelona**

Barcelona was a focus for discontent with the way the Republic was developing. Living conditions were deteriorating, queues, black markets and corruption were evident. Even the bosses felt confident enough to put in a public appearance again. In response, on 14 April, women workers in the city led a huge demonstration against food price increases.

The threat of a revolutionary rising in Barcelona stung the PSOE right wing and the Stalinists into action. PSUC leader Benaudès coined the notorious slogan "before taking Saragossa, we must take Barcelona". The Stalinists set out to crack down on CNT power and on 16 April PSUC leader Joan Comorera was appointed minister of justice in Catalonia, a man who earlier had threatened to liquidate the POUM. On 25 April the police, under his control, seized the border posts with France from CNT militia, killing several. In Madrid the CNT newspaper was closed down for exposing the Stalinists' secret prisons and May day demonstrations were cancelled.

On 3 May the Catalan government decided to seize the Barcelona telephone exchange, which had been in the hands of the CNT-UGT since the previous July to monitor all the calls of the government. Three trucks of assault guards surprised the CNT militia outside but they met resistance inside; soon barricades were set up in the Ramblas.

The next day the CNT called a general strike and despite government reinforcements arriving from Valencia the CNT soon controlled 90% of the city and the fortress of Montjuic. At a Joint CNT/FAI/POUM meeting the POUM, sensing what was at stake, argued:

"Either we place ourselves at the head of the movement to destroy the enemy within or the movement falls and that will be the end of us."

However the CNT/FAI rejected a confrontational course with the Stalinist-republican coalition. Fatally, the POUM refused to break with the CNT and strike out on an independent course. For three days the CNT leaders toured the area urging the workers to lay down their arms while they sought a compromise with the Republic. Yet the workers were in a strong position to advance and seize power throughout Catalonia. In Lérida and Hostafrancs the government forces surrendered to the workers and the POUM/CNT militias seized the PSUC headquarters at Tarragona and Gerona.

At this point the anarchist leaders capitulated. Federica Montseny appealed on radio for anarchists to lay down their arms. On 6 May CNT-FAI leaders called for the barricades to come down as long as assault guards were withdrawn; the next morning the Generalidad agreed. But in fact on 7 May 5000 assault troops reached Barcelona. Beevor notes: "But the PSUC and the Assault Guard did not give up their positions and carried out violent reprisals against libertarians."<sup>7</sup>

The Barcelona workers paid dearly for the cowardice of their leaders. Five hundred were killed and 1,500 wounded in the three days of the rising, hundreds more were killed or wounded in the reprisals which followed.

#### **Destroying "Trotskyism"**

Having defeated the Barcelona workers the Stalinists stepped up their offensive against the revolution and target number one was the POUM. The Stalinists constantly (and wrongly) labelled the POUM as Trotskyist. This was not simply because of Nin's one time connection to Leon Trotsky's Left Opposition. It was, rather, part of a pattern followed by Stalinism all over the world.

In the Moscow trials and Siberian camps Stalinism was slaughtering all potential opposition in the name of rooting out a "Trotskyite-fascist world conspiracy". Designating the POUM as "Trotskyite" put it on the international hit list for Stalinist terror. PCE General Secretary, Jose Diaz, made this abundantly clear. On 9 May, speaking at a public meeting, he proclaimed that some "enemies" of the Republic "call themselves Trotskyite which is the name used by many disguised fascists who use revolutionary language in order to sow confusion. I therefore ask . . . why does [the government] not treat them like fascists and exterminate them pitilessly?"<sup>8</sup>

In the wake of the suppressed rising Comorera introduced military tribunals; soon there were 20,000 in detention camps. Since the CNT and POUM papers were banned they were unable to reply to the lies being spread about them by the Stalinists. At the 13 May cabinet meeting the two PCE ministers demanded the complete suppression of the POUM and when prime minister Caballero refused they and their allies walked out. Caballero tried to form a government only of CNT and UGT members but Moscow said it would refuse to supply arms if President Azana approved it. On 17 May Caballero resigned, to be replaced by the right wing socialist Negrin whom the PSUC had backed.



Negrin immediately let the security police off the leash; on his first day the POUM paper was closed. On 16 June the POUM was outlawed and its HQ turned into a prison for "Trotskyists". The POUM leaders were arrested and handed over to the NKVD. Nin was tortured for three days but would not break and confess to his "crimes", an escape by the "Gestapo" was faked and he was killed whilst "fleeing".

There was nothing now to stand in the way of unleashing the Stalinist terror machine. On 30 July Comintern leader Dimitrov passed to Moscow a report on developments in Spain. "Our party insisted on the following three points: to carry out a purge of the military apparatus and to help promote to the top ranks the commanders who come from among the people (i.e. loyal Stalinists), and to put a stop to the anti-communist campaign to carry out tirelessly a purge of Trotskyist elements in the rear; once and for all to stop indulging the press, groups and individuals who are carrying out a slanderous campaign against the USSR. If he [Negrin] will not do this, then the Party is strong enough, understands well enough the responsibility that it bears, and will find the necessary means and measures to protect the interests of the people."<sup>9</sup>

The Stalinists had a well-established apparatus of terror. Oglov of the NKVD had been sent by Stalin to supervise the operation in Spain. The main centre of its operations was at Albacete where the International Brigade's secret police (the SIM) had its headquarters. This was completely independent of Republican control and in hands of PCE chief and Comintern Executive member, André Marty. This repressive force was enormous, in Madrid it was 6,000 strong.

After the civil war Marty was to boast that he personally had sent 500 members of International Brigade to their deaths. However, it was the POUM and anarchist workers who suffered the main brunt of the repression. At the same time as waging this dirty war, the Stalinists consolidated their grip on the military forces and used this to repress all who stood in their way. By June 1937, 60% of the army were members of the PCE. Indeed, many of them joined the party in order to serve in the army. The Stalinists controlled key positions in the army's command structure and from this position of strength they could send POUM supporters on suicidal assaults, as they did on the Aragon front. The alternative was to simply shoot them in the back of the head.

Control of the armed forces and of their own terror machine made it relatively simple for the PCE to proceed to crush the remaining militias and incorporate them into the standing army. By the autumn of 1937 the Republic had finally eliminated all militias independent of its direct command. It now had more than half a million troops in 152 brigades dancing to its tune and that tune was being called by the Stalinists.

The militias were the last remaining force protecting workers' control in the plants and on the agricultural collectives. Once the militias had been put down it was only a matter of time before the Republic could attack these gains of the working masses. Workers' control was undermined by government nationalisation, immediately appointing a manager in each enterprise to take power back from the workers.

Things were to prove less easy for the Stalinists on the land. In June 1937 the left socialist federation of Land Workers demanded that the October 1936 Decree be extended to all landowners who "had violated labour contracts, discharged workers unjustly because of their ideas, denounced them, [to the police] without good reason, [and] encouraged strike-breaking."

In reply not only did the PCE Minister of Agriculture turn down this demand, he also ordered that land be handed back to proprietors who had employed under 25 workers. The CNT General Secretary of the Peasants Federation of Bastille complained:

"We have fought terrible battles with the Communists, especially with brigades and divisions under their control, which have assassinated our best peasant militants and savagely destroyed our collective farms."

When the harvest was completed in August the Stalinists launched their most extensive reign of terror. They set out to destroy the Aragon collectives by force. The PSUC had no base in the area, which was dominated by the CNT. The PSUC's onslaught began with the dissolving of the Council of Aragon – the last remaining revolutionary committee – and the appointment of a Governor General. The attack was backed up by a Stalinist press campaign that accused the Aragon peasants of all manner of crimes including, terror, theft, the maintenance of arms stores and even forced collectivisation.

Those who had herded the Russian peasantry into collective farms at bayonet point now turned on the self-organisation of the Aragon peasants. The Aragon peasants had made serious inroads into the very private property system the Stalinists were intent on defending.

Eventually Enrique Lister, PCE leader of the 11th division, marched into Aragon and proceeded to brutally destroy the collectives and confiscate the produce of the collectives. This "involved mass arrests, ... CNT offices were seized and destroyed, and the collectives' machinery, transport, tools and seed grain were given to the small proprietors whom the communists had encouraged to resist the co-operatives".<sup>10</sup>

The main short term effect was to disrupt food production

## GLOSSARY

### The left in 1930s Spain

- AAFY** Alliance of Anti-Fascist Youth – Stalinist and Republican youth organisation
- CNT** National Confederation of Labour – anarchosindicalist-led trade union federation
- EAI** Iberian Anarchist Federation – political leadership of the CNT
- JCO** The youth section of the POUM
- PCE** Communist Party of Spain
- PEC** Popular Executive Committee
- POUM** Workers' Party of Marxist Unification
- PSOE** Socialist Workers' Party of Spain
- PSUC** Unified Socialist Party of Catalonia – Catalan Communist Party
- RYF** Revolutionary Youth Front – formed by the anarchist Catalan Libertarian Youth and the POUM's JCO
- UGT** General Union of Workers – PSOE-led trade union federation



and supplies in the region, hindering the war effort. More proof of the fact that only the defence and extension of the social revolution could defeat fascism is seen in the collapse of the Aragon front within months of the Republic's attack on the Aragon peasantry.

### The delusion of propaganda

The Stalinists said the revolution had to be crushed in order to win the war against Franco; that "order" and "discipline" was necessary in military ranks so as to win battles. In fact, "the 'active war policy' of set-piece attacks adopted for propaganda reasons by the Comintern would rapidly destroy the Republic's ability to resist".<sup>11</sup>

The Stalinists held all key field command positions in the army. The air force and tank corps were in their control so no military operation could take place without their permission. Non-communist wounded were often refused medical aid. Battalion commanders who refused to join the party found their weapon replacements, rations or even men's pay cut off. Non-PCE commanders like Colonel Casado, commander of the Army of Andalucia, were not allowed to know the location of airfields in his region or the availability of aircraft at the front. Socialists were shot on false charges of cowardice.

Through the course of 1937 and 1938 non-CP government leaders belatedly realised that communist direction of the war effort was destroying the Popular Army with prestige operations which it could not afford and triumphalist propaganda that was counter-productive.<sup>12</sup> The Battle of Ebro in July 1938 was a classic example. Prime Minister Negrin and the PCE dreamt up the offensive to force Franco to consider a deal short of outright surrender by the Republic. The offensive led to huge loss of life and was summed up by one military historian thus:

"To attack a sector so close to the bulk of the nationalist Army of Manoeuvre meant that the enemy could counter-attack rapidly; and to choose to fight with a large river just behind your front line when the enemy had crushing air superiority to smash your supply lines was idiotic; to refuse to pull back after a week when it was clear you had no chance of achieving your original objective was bound to lead to the useless sacrifice of an army which could not be replaced. It was beyond military stupidity, it was the mad delusion of propaganda."<sup>13</sup>

The People's Army suffered 75,000 casualties, of whom 30,000 were killed. Crucial weapons and people needed for the defence of Catalonia – the last bastion of the Republic – were lost.

Many Stalinist writers have claimed that the lack of arms doomed the Republic from the start and that it was

impossible to provide more. Even those with POUM sympathies – such as the English writer George Orwell – came to the same conclusion. The truth was different. Fascism succeeded above all because the Republic failed to rally the peasantry with a bold programme of land reform and failed to push forward toward a socialist goal that could have welded these peasants into a solid alliance with the revolutionary workers. Eventually the peasantry fell into despair and saw no qualitative difference between Franco and the Republic. They saw no reason to take up arms to defend the Republic, effectively dooming it to defeat.

Everything the Stalinists did in Spain from the very first weeks of the uprising was designed to prevent the success of the revolution. While they did not wish to see Franco triumphant, their murderous policies ensured that there could be no other outcome.

### Stalinism's final character

Franco's forces eventually took Catalonia in early 1938 and marched into Madrid in late March, those who could flee the fascists' revengeful and bloody retribution doing so from ships and planes from Alicante.

Although Stalin silenced dozens of his henchmen on returning from their operations in Spain it was impossible to conceal the role the Stalinists had played in Spain. The whole episode caused Leon Trotsky to re-evaluate the nature of Stalinism. Until the civil war in Spain he had continued to view Stalinism as "bureaucratic centrism", pursuing a policy of zig-zags. But in early October 1937 Trotsky – reviewing more than a year of Stalinism's actions in the Spanish civil war – told his US comrades that in the light of the Spanish events the term "bureaucratic centrism" was out of date. In December of that year, in *The lessons of Spain: the last warning*, he elaborated:

"I once defined Stalinism as bureaucratic centrism and events brought a series of corroborations of this definition. But it is obviously obsolete today. The interests of the Bonapartist bureaucracy can no longer be reconciled with centrist hesitation and vacillation. In search of reconciliation with the bourgeoisie, the Stalinist clique is capable of entering into alliance only with the most conservative groupings amongst the international labour aristocracy. This has acted to fix definitively the counter-revolutionary character of Stalinism on the international arena."<sup>14</sup>

He concluded:

"... Stalin in Spain in 1937 is the continuator of Stalin of the March 1917 Conference of the Bolsheviks. But in 1917 he merely feared the revolutionary workers. In 1937 he strangled them. The opportunist had become executioner."

#### ENDNOTES

1. Quoted in B Bolloten, *The Spanish Revolution, the left and the struggle for power*, London, 1979, p20
2. P. Broué and E. Temime, *The Revolution and civil war in Spain*, p94
3. Quoted in B Bolloten, op cit
4. A Beevor, *The battle for Spain*, London, 2006, p104-5
5. Ibid, p154
6. Ibid, p257

7. Ibid p267
8. Bolloten, op cit, p308
9. Beevor, op cit, p292-3
10. Ibid, p295
11. Ibid, p274
12. Ibid, p299
13. Ibid, p359
14. L Trotsky, *The Spanish Revolution*, New York 1975, p311





### DEBATE

## Venezuela under Hugo Chavez – still a capitalist state?

Hi Stuart,

Thanks for your article. I had a chance to read it now and I found it to be quite well informed about what is currently happening in Venezuela, which is always a pleasant surprise.

The part I probably disagree with most is the argument that Venezuela still has a capitalist state. While it is true that the structures of the Venezuelan state still are pretty much the same as they were before Chavez came into office, the state is most definitely no longer under capitalist control. Also, Chavez has recently launched a concerted effort to transform the state, via the communal councils. This is a project that has just begun and that has the potential to create structures that will truly turn the state into something that actually pursues the interests of the people.

In more general terms, while I am sympathetic to critiques of the Chavez government from the left, I am not sympathetic to critiques that see absolutely nothing positive about what is happening in Venezuela. While your article does not quite fall into that extreme, it does come awfully close.

To say that the Chavez government is a Bonapartist regime implies that all the changes here are a sham and I just don't buy that. Too much has happened here that has actually improved people's lives and too much is in the works in terms of continuing this process.

It is not a revolution in the way that Trotsky or Marx might have envisioned, but that does not mean that it cannot get towards something that deserves the label socialist or communist. I disagree with the implication that the only path towards revolutionary transformation is a working class revolution.

As I already stated, while the state is not yet in the hands of the working class, it is no longer in

the hands of the capitalists and it thus has the potential, if those who control it want to and it is pushed sufficiently from below, to bring about more profound transformations, in stages.

Part of the reason this is possible is that capitalism is not really the driving force of the Venezuelan economy. Rather, in Venezuela the state is, due to its control over the oil industry. That combination of non-capitalist control over the state and non-capitalist control over the economy creates a completely different dynamic for transforming Venezuelan society.

Of course, I totally agree that it is all far too controlled by Chavez,

**To say that the Chavez government is a Bonapartist regime implies that all the changes here are a sham and I just don't buy that. Too much has happened here**

but luckily he is sympathetic to the demands of the masses and is thus more likely to do what they want (if they can express it) than what capitalists want.

You conclude by making sound points about what the government should do. However, it is, in fact, doing most of those things already. For example, you are saying that the government should engage in a massive housing program – it is, albeit somewhat slowly, but it is finally accelerating. Also, you really should not dismiss the titling program in the barrios. This is one of the most important measures for people to take control over their own lives in their own neighbourhoods. Ask anyone who lives in the barrios. Also, it is not an individualistic program, as you present it, but a collective process – collective titles.

With regard to health, while Chavez has hinted at nationalising hospitals, but has not done so, he has engaged in a massive investment effort to improve and expand the existing hospital system now. With regard to democratic planning, you should take a look at some of the ideas of Haiman El Troudi, one of Chavez's main thinkers on the transformation of Venezuela (so far Chavez has implemented almost everything he has proposed). Here's a link to some of the more far-reaching changes he has proposed for the coming years: <http://www.centrointernacionalmiranda.gov.ve/view/docs/nmspd1.pdf>

Finally, with regard to the arming of the population, while that has some problems (since most are already armed and this has contributed to one of the highest murder rates in the world), the plan to create a military reserve of one

to two million Venezuelans comes quite close, it seems, to what you are calling for.

Thanks for sending me your very interesting and provocative article. However, given its extremely negative nature (not just critical), I don't think it fits with our editorial line of publishing articles that either counter-act the capitalist campaign against the government or that are constructively critical of it.

Best wishes,  
Gregory Wilpert  
Editor, [venezuelanalysis.com](http://venezuelanalysis.com)

Hi Greg,

Thanks for your reply on the Venezuela article in *Permanent Revolution* 3. It is always useful to have someone engage in a critique – it makes you think about your arguments.



We obviously have a difference over the nature of the state in Venezuela when you say that "the state is most definitely no longer under capitalist control". This is not just a question of state "structures" but of what type of property relations the Venezuelan state defends.

The government has certainly made moves to increase "statification", through the recent

government with an anti-capitalist one, one that sets out to destroy the power of the bosses and place that power in the hands of the workers and peasants.

Re-reading the article it was a mistake to describe Chavez as a "classical Bonapartist regime". I should have said, using Trotsky's description of Lazaro Cardenas government in Mexico of 1934-40 (which the Chavez government

governments also have authoritarian elements to them. To maintain their independence and protect themselves from the bosses they often strike out against the bosses' media, their parties, their rights to organise (they will also use the same measures against left critics if they feel threatened by them).

On the other hand they both organise and encourage the workers into unions, local assemblies and councils, but attempt to control these bodies, integrate them into the government structures, play the arbiter in disputes with the capitalists. But this is not the same as a dictatorship or military regime which we would properly call classical Bonapartism – the Velasco regime in Peru for example, or its right wing variant, Pinochet in Chile.

Which brings us to the nub of our difference. You say because the state "is no longer in the hands of the capitalists it has the potential, if those who control it want to and it is pushed sufficiently from below, to bring about more profound transformation, in stages."

We, on the contrary, believe that the state remains capitalist in its essence. Despite the semi-Bonapartist nature of the government, it is committed to developing capitalism in Venezuela, a state-directed form for sure and with some important welfare provisions, but capitalist nevertheless.

As you say yourself "the structures of the Venezuelan state are pretty much the same as they were before Chavez came to office". This means that, despite reforms and some changes in personnel at the top, the key elements of the capitalist state, its civil service, judiciary, army and police remain, to be used against any threat to capitalist property relations. The state is not some empty vessel that can just be filled with a different content – capitalist or socialist. These organs of the capitalist state will be used to smash the workers' organisations if they threaten the very basis of capitalism in Venezuela.

### **We believe that the state remains capitalist in its essence. Despite the semi-Bonapartist nature of the government, it is committed to developing capitalism**

(relatively small) nationalisations, and to increase state participation in oil, gas and mineral extraction through the "joint ventures". But states pursuing capitalist development (actually, imperialised ones) have often used this expansion of "state capitalism", state ownership or partnership in key industries as a means to pursue capitalist development that would otherwise be stunted or develop one-sidedly due to the demands imposed by the imperialist world market.

This brings us back to the use of the term "Bonapartism" to describe the Chavez government and the degree to which the state is under the control of the bosses and defends their interests. I certainly wasn't using the term to suggest "that all the changes here are a sham". I think the article makes clear that we consider Chavez to be leading a radical and reforming government that has delivered important reforms for the mass of the Venezuelan people – in health, in the fight to combat poverty, in literacy, education and so on.

We don't underestimate the importance of these things to the Venezuelan workers – indeed it explains the enormous support they give in elections to Chavez, a highly popular leader. But we should not confuse a radical reformist

resembles surprisingly closely), that it was a "semi-Bonapartist, democratic government". No one can doubt Chavez' commitment to bourgeois democratic elections. He has probably held and won more of them than any other Latin American leader!

But the term Bonapartism is useful. It describes a state that has raised itself above the contending classes (capitalists and proletarians) and has a relative independence from both. This does not mean the capitalists have no control over this state, because in the last analysis it defends a particular type of property relations – in the case of Venezuela, capitalist ones. Neither are the capitalists content with such situations, and they certainly have been struggling to take back complete control of their state by both democratic and undemocratic means in Venezuela.

The term also helps explain something else about the nature of such governments. As these leftist regimes are very unpopular with the bosses, they have to lean on (and mobilise) the masses to protect themselves from the local capitalists and, more importantly, from the dominant imperialist powers and their multinational companies; this is what gives them their "populist" nature.

But semi-Bonapartist



That is why organising a two million strong military reserve is not the real question. The question is how it is organised. Is it organised under the control of workers' and peasants' organisations or is it merely an auxiliary to the army – whose officers organise it, control its arms, appoint and direct its leaders etc.

As long as the army high command continues to exist, and as an institution it is committed to defend the capitalism, then it remains the key threat and a rampart against any attempt at an anti-capitalist revolution in the country.

Therefore a strategy based on pressurising Chavez and his government to become more radical, of transforming Venezuela "in stages", ignores the crucial question of "the armed bodies of men" which provide the core of the defence of capitalism. It also attempts to avoid the task of organising the workers and poor peasants into a revolutionary socialist party that can smash the capitalist state, the only way of ensuring socialism in Venezuela.

It is the same with the communal councils. These might be a positive measure initiated by Chavez to try and circumvent an obstructive bureaucracy at national and local level in order to deliver his reform programme, but are they really bodies that can "transform the state"? Given they have very minor powers and can only take initiatives agreed to by the Government, how will they do this? They are more likely to play the role of organising and structuring Chavez' popular base than become independent soviets and organs of insurrection – which is what would be needed to really "transform" the state in a revolutionary socialist direction.

The mobilisations of the masses in Venezuela to defend the Chavez government against coup attempts, lockouts, presidential recalls, have certainly been inspiring. Chavez' increasing radicalism during his period of office, the measures he has introduced to benefit the poor and his open espousal of a "socialist Venezuela" have certainly drawn

admiration from anti-capitalists around the world.

But as with all such radical regimes there is the danger of socialists "painting up" such leaders as offering a new road to replacing capitalism. People like Michael Lebowitz and Marta Harnecker tell us the old models of Bolshevism, the strategy and tactics of Lenin and Trotsky, no longer fit. They say we have to develop new models of radical change, and Venezuela is the engine room for such ideas. Unfortunately, the ideas being offered up are not new; they go back to the old debate between Lenin and Kautsky over reform and revolution, to arguments raised by Trotsky about the popular frontism and class collaboration of Stalin and his parties.

This is not just a theoretical discussion between Marxists. At stake is the future of the workers' and peasants' organisations in Venezuela. Get it wrong, as the Chilean Communist Party and the MIR did under the Allende government, and the Venezuelan workers and the "Bolivarian Revolution" could be drowned in blood.

In comradeship  
Stuart King

#### LINKS

##### Venezuela Analysis

[www.venezuelanalysis.com/about.php](http://www.venezuelanalysis.com/about.php)

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#### ENVIRONMENT

## Transport, taxes and tackling global warming

Dear comrades

The review article in your last journal, "Messages from a Warming Planet", included interesting insights into the relationship of capitalism and climate change. It highlighted the importance of positive feedback mechanisms and the possibility of abrupt changes in climate. This is something that governments are constantly trying to deny.

As George Monbiot reported in the *Guardian* recently, the scientists of the Intergovernmental Panel on Climate Change were forced to remove statements based on such an understanding, including the following warning which disappeared: "North America is expected to experience locally severe economic damage, plus substantial ecosystem, social and cultural disruption from climate change related events."

One area you didn't address was the use of carbon taxes, quotas and trading as a way of forcing a reduction in emissions, an

important debate socialists need to engage with. The latest trend in "green capitalism" is to develop a market in carbon emissions, with countries, companies and even individuals given a carbon quota which they can then trade.

Once again this is favouring those who already produce high emissions, who also control most of the wealth. The poor can sell their carbon quotas to the polluting rich, and use the money to buy food and other essentials, while the rich can salve their consciences and carry on polluting.

A related approach is the use of taxes within a country – in the UK we have seen the various political parties competing for the most green fiscal policy award. But what do "green" taxes do? As taxes on consumption, such as fuel, they are regressive and disproportionately hit the poor, which reinforces and even deepens existing inequalities. Increased tax on petrol and oil, for example, has a bigger impact on poorer families who have to spend a



greater proportion of their income on fuel. The better off can easily absorb the increased cost.

Although increasing petrol taxes, and related measures such as road charging and congestion charges appear to be progressive measures to reduce car use, they are not

well off will bear the burden of reducing carbon emissions.

All over the place middle class people concerned about climate change have taken it upon themselves to set up "carbon rationing groups" where they strive to reduce their carbon footprint.

their excess free carbon permits, while carbon emissions are still rising at 0.6% a year!

George Bush has also come up with his own bit of greenwash – his plans for a massive expansion in biofuel production, aiming for 24% of transport fuel to be produced from crops by 2017. All the evidence so far is that this will be even worse than carbon trading. Increased demand for maize for fuel has pushed up prices with a devastating effect on people who rely on this staple, leading to demonstrations over the rocketing prices of tortilla in Mexico.

Indonesia looks set to lose anything up to 98% of its rainforests in the next 15 years because of the planting of palm oil destined for European cars. This will have a knock-on effect on climate change as the forests are destroyed, and threatens to drive already rare animal species to extinction, including orang-utans and Sumatran tigers. Brazil has similar problems, as big agribusiness cashes in on the biofuel bonanza. Hugo Chavez and Fidel Castro have rightly denounced this idea as a "cars before food" plan.

The left urgently needs a really detailed programme to combat climate change. We hope to see lots more debate on the issue in *Permanent Revolution*.

Helen Ward  
London

### **Market forces are proposed as a solution to the problem. This is a way of privatising responsibility for climate change, and the rich will just pay and pollute**

progressive taxes because they hit the poor harder.

Ken Livingstone was right to try and reduce private vehicle use in London and to promise to use the revenue on improved public transport. But the congestion charge, like petrol duty, should be in the form of a steeply progressive tax with those who can least afford it paying less than those who can. The only really fair way to do that is to have a steeply progressive income tax in order to pay for improved public transport, at the same time as restricting people's rights to use their cars for unnecessary journeys.

Labour, Livingstone included, can only ever envisage using market forces, such as price, to regulate. Instead, we should argue for democratic decisions over limits on car use, with no-one being able to "buy" their way out of environmental responsibility.

Last year David Miliband, Labour minister for the environment, proposed carbon credit cards to ration individual use – everyone would have a set amount of carbon they could use and when they bought petrol, or a flight, they would have their carbon credits docked. If you got to the point of having no carbon credits left you could buy more on the open market.

Once again market forces are proposed as a solution to the problem. In effect this is a way of privatising responsibility for climate change, and the rich will just pay and pollute, while the less

Anyone going over an agreed limit has to cover their debt through appeals to others in the group. Even the globe trotting Prime Minister has promised to "offset" his carbon emissions.

Does any of this do any good? Apparently not. The actions of a few individuals has a negligible impact on the global picture, and even the "enforced" carbon trading of companies in the EU has led to almost no change in emissions. In fact the quotas were set so high that many companies have made money with minimal changes to stay below their limit and being rewarded with government cash! In Germany, the four largest power companies got an estimated €8bn extra profit in 2005 by cashing in

#### **TGWU/AMICUS MERGER**

### **Time to extend democracy and build a powerful working class weapon**

Dear Comrades,

I was interested to read Mark Hoskisson's comments on the proposed merger between the TGWU and Amicus in the last *Permanent Revolution*. Whilst agreeing with the overall thrust and tone of his piece, I found myself unconvinced by his arguments for opposing the merger.

A reader unfamiliar with the

two unions might have been forgiven, from reading Mark's piece, for believing that the two unions as established were not already giant general unions, but were in fact industry specific ones ("Workers will not be united in a common organisation across a single industry – one union, one industry"). Had this been the case then Mark's argument would be



sound, but as it is starting from a false position his argument also ends up with a false conclusion.

The merger will not lead to a new radicalism in the movement, nor will it inevitably lead to a stronger "more fighting" union of itself, but there are a number of industries (aerospace, car manufacturing for instance) where there will now be a single union representing all workers. In those few places the merger will see a definite improvement in the union's ability to resist the bosses' attacks, whilst in the rest of the new unions' sectors, nothing much will really have changed. For that reason, and that reason alone, I unenthusiastically voted for the merger.

But whether we agreed or disagreed, the merger has now been overwhelmingly approved by the relatively small number of members who voted, and unless there is a late legal challenge, the new union will come into existence

on 1 May 2007. It is a done deal.

Now the challenge for activists is to try to ensure that the industrial sectors in the union are as strong as possible, that they are genuinely autonomous and can call action across their membership without recourse to the entire GEC. Rules conferences are unexciting events by and large, but we have an opportunity here to push forward the demands of our class, especially as TGWU members will be able to elect our delegations from a much wider base.

On the run up to our conferences, the lefts of the TGWU (which can now actually operate as a national left for the first time) and Amicus must work together to ensure that we extend lay democracy within the new union, and to ensure that it really is a powerful weapon with which we can defend our class.

Yours

Richard Belbin  
(TGWU branch secretary)

of troops from Iraq and on Tony Woodley for refusing to back John McDonnell's campaign and apparently on his own comrades in the TGWU executive for refusing to do so either.

Leading that Executive Broad Left is Martin Meyer, a fellow-traveller of the AWL, and Tom Cashman, a former member who has moved noticeably closer to the group again, as well as leading Irish leftist Jimmy Kelly. "Yet that Executive met last week (5-9 March), and you did not put to it a proposal to support McDonnell. From timidity or whatever other reason, the Broad Left faction on the Executive – the majority! – put no such proposal, either" says Thomas in his Open Letter to Tony Woodley on 16 March.

We also have the appalling spectacle of the Socialist Party-dominated executive of the PCS acquiescing to every sell-out by Serwotka like last year's pensions dispute. In fact all, including the SWP in other ways, seem to be moving to fill the gap left by the decline in British Stalinism, often in collaboration with these same Stalinists.

The culture of bureaucratisation in the British trade unions is so deep that even to think of mounting a serious challenge to a so-called left general secretary is beyond the political horizons of even declared revolutionaries. No wonder Martin Thomas explodes like this. Whatever we think about the politics of this group, and we would say it is pretty awful, nonetheless the self-sacrifice of its members (including leaders) is legendary and to see a lifetime of that going down the drain because of the cowardice of the likes of Meyer and Cashman can only be galling in the extreme.

Now more of an old man in a hurry, Thomas knows that such opportunities to make a real difference to political developments are rare indeed and unlikely to present themselves again in this way in his lifetime. We can only wish him well in his struggles over these issues.

A J Byrne  
London

## UNIONS AND THE LEFT

### The lefts, the AWL and John McDonnell's campaign for leader

#### Comrades

When Tony Woodley won the leadership of the TGWU in 2003 on a left ticket many activists were surprised that he could call himself a left at all, given his pro-management orientation in the car industry.

Nonetheless, certainly there is a left movement amongst trade union activists which has resulted in the last few years in the election of a whole raft of general secretaries like Mark Serwotka of the Public and Commercial Services Union (PCS), Derek Simpson of Amicus, Billy Hayes (CWU), Mick Rix (ASLEF), Bob Crow (RMT), Andy Gilchrist (FBU) and Jeremy Dear (NUJ).

Undoubtedly this reflects a left movement in the class, but how do these lefts propose to represent the class? Left union bureaucrats

are often obliged to initiate or pander to the growing militancy of their membership, often merely as a recruiting ploy, and are then horrified when a real movement reveals itself and they rush to dominate it and close it down.

Events around the John4Leader campaign show that on the political front little has changed because these lefts fear the consequences on the industrial front. When this author debated the AWL many years ago one member was moved to protest against my attacks over Ireland, Israel and the Malvinas, "we are still revolutionaries, you know."

The same Martin Thomas now seems to feel that even that subjective aspiration is being abandoned. He has come out with a forceful attack on their policy in refusing to call for the withdrawal

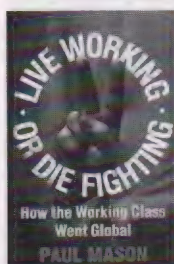


## The voice of workers in struggle through history and across the globe

**LIVE WORKING OR DIE FIGHTING**

Paul Mason

Harvil Secker / 2007 / £12.99



BBC JOURNALIST Paul Mason has written a popular history of the global workers' movement. Mason's work has taken him from Bolivia to India and from Canary

Wharf to China. The experiences of the workers across these continents are given a voice in *Live Working or Die Fighting*.

Thankfully, the voices we here are not the tightly edited snippets that typify modern news coverage. We do not hear what the media want us to hear. We hear instead what Mason wants us to hear – the voice of workers who are either steeped in struggle or who see the need to struggle but have not yet found the means of organising themselves.

And we get a clear picture of why workers need to fight back. Global capitalism's inexhaustible appetite for more – its relentless drive for ever greater profits – drives down

try to demonstrate that while many of the conditions faced by today's global working class are new, the fundamental character of the struggles they are engaged in isn't. The working class's history is rich with the experience of struggle, of how to build organisations that can unite the exploited against their bosses and of how to fight for a world free from the daily grind of exploitation.

Each chapter is a tale from this history, opening in Manchester with the Peterloo massacre of 1819 and closing with the great sit-down strike in Flint, Michigan in 1937. Mason's stated purpose is to help both the new generation of workers across the world and the young activists of the anti-capitalist movement which hit the streets at the turn of the last century, to rediscover this history.

Mason steers clear of turning the book into a "lessons of" style commentary on the selection of events he brings back to life. It is considerably more lively, readable and likely to serve its central purpose as a result. In a way it mirrors his reporting style – highlighting the facts, letting the protagonists speak and enabling

for not having one. But along the road Mason takes us there is room for criticism.

For example, the entertaining account of the Industrial Workers of the World (the Wobblies) extols many of the virtues of revolutionary syndicalism. They are virtues that every socialist who is not a doctrinaire blockhead would extol too. But such a chapter celebrating the wonderful IWW led strike at Lawrence could and should be balanced by a measured assessment of the strikes, notably Paterson, New Jersey soon after Lawrence. Some of the reasons for such defeats were lodged in the vices of syndicalism, vices that Mason tends to overlook.

His defence [see interview below] is that syndicalism itself – the real business of organising the unorganised and what that actually takes – has been buried as a result of its leaders going on to become Communists or Labour MPs. But that is not entirely true.

Take Mason's example of Elizabeth Gurley Flynn and the Stars and Stripes flag at Lawrence, something he sees as an important lesson on the need to compromise for all those of us who want to "pass first base" today in organising the new generation of workers. Mason focuses on the symbolism the flag has today not on what it meant then.

The Dunne brothers and Jim Cannon (Wobblies who became not only Communists but Trotskyists) helped organise the unorganised in Minneapolis twenty years later. They did this as Trotskyists and if you look closely at pictures of the striking marchers you will see the Stars and Stripes flag too.

In the USA there was a reason why workers carried this flag on their marches and it wasn't because the leaders felt the need to compromise with nationalism. It was that the flag was still (eighty years on) the flag of the second American Revolution, the flag symbolising the abolition of slavery and the defeat of the slave-owning Confederacy. Indeed one of the strike bulletins carried an article called "If it takes all

**Mason steers clear of turning the book into a "lessons of" style commentary on events. It is considerably more lively and readable as a result**

the conditions of these workers. It is not only those condemned to semi-slavery in the sweatshops of Indonesia who suffer at the claws of the corporations, it is also the relatively skilled workers in China's factories and the migrants and racially oppressed in the heart of London.

A major purpose of the book is to

the audience to draw its own conclusions but leaving no room for guessing as to what side he is on.

And Mason is on the side of the workers. So much so that at times it does create a problem with his rendition of history. There simply isn't enough criticism in the book. Of course a book that doesn't set out to argue a thesis cannot be blamed



summer" – a quote from the Union general, Ulysses S Grant.

But the real issue wasn't the flag either at Lawrence or at Minneapolis. It was what the Dunne brothers and Cannon saw as the inability of the IWW to create lasting mass organisations. The Teamster Rebellion of 1934 turned Minneapolis into a union town. Sadly the IWW-led strikes did not have the same result. They were like fireworks lighting up the sky for an instant but bringing short-lived joy to those at the show.

None of that is meant to deny the importance of syndicalism in the history of the movement. It is far more important than most socialists give it credit for and it is to Mason's credit that he refuses to buy into the essentially Stalinist inspired "great leaders" version of working class history. But criticism of working class history and of the great movements it created does have a vital role in helping the new generation rediscover it and judge it against the needs of today. Otherwise why would it matter and why would rediscovering it be important?

Notwithstanding this we urge all our readers to buy this book.

**Mark Hoskisson**

And to help him plug it in our little niche market we sent Mark to talk to Paul about the book.

**MH:** What made you write the book?

**PM:** During the last five years, as a BBC reporter, I've managed to witness first hand the emergence of a new working class in the developing world – above all in China and India. One of the things it's hard for workers in the OECD countries to grasp is just how huge the waged workforce has become: 460 million workers in the developed world are now dwarfed by 1.5bn in India, China, Russia and East Europe and a further 1bn in the global south. And it's all happened in less than twenty years. At the same time the workforce here has begun to change massively under the impact of migration. Result? Most workers in the world

have no idea whatsoever about the history of the labour movement. Zilch. Zero.

I've reported on the emergence of union organisation among migrant cleaners in East London and the big irony here is that most of them have no idea about the geography of the city, let alone its history. I reported on Telco and the T&G leafleting outside HSBC in Canary Wharf one night and went home and pulled

who went with the Independent Social Democrats (USPD) in the revolution, but then re-joined the main socialist party after 1923. I am basically trying to tell it like it happened, not constantly drawing out "lessons of the struggle"

**MH:** Why not?

**PM:** Because I am frankly sick of the way "lessons of the struggle" is used to distort history. I bought a

## **"I try to tell the story through the eyes of the individuals involved . . . to tell it like it happened"**

up a Victorian map of docklands off the internet, and realised we'd been standing almost exactly where the 1889 docks strike had begun. So I thought: there needs to be a book that anyone can read – aimed at the twenty year old office worker on the tube who is only vaguely aware that there once was a union leader called Scargill, and a prime minister called Thatcher.

**MH:** The book tends to shy away from drawing out the lessons of labour history.

**PM:** Too right. I've very clearly left out masses of the political detail. For example on German social democracy there is no account of the theoretical debates between Luxemburg, Kautsky and Bernstein. In fact Luxemburg is mentioned just once, the other two not at all; on the other hand there is a detailed treatment of Karl Liebknecht's role in the May Day 1916 anti-war demo – but it's written from the point of view of participants: Oskar Hippe's memoir, other memoirs of that demo and, when we get to the November 1918 revolution, the autobiographies of the shop stewards Richard Muller and Emil Barth. Also Philipp Scheidemann, the socialist leader.

I try to tell the story through the eyes of the individuals involved – so Toni Sender, all but forgotten, is a key character in that chapter: she was a white collar workers' leader

lot of the source books for this from a shop called Porcupine Bookcellar, in Kings Cross, London. After several visits I realised that almost everything produced by Stalinism was utterly useless: yards of useless books alongside a goldmine of autobiographical stuff that is never read.

Let me give you an example: Frank Jellinek's book about the Paris Commune, published by the Left Book Club in the 1930s. It is a brilliant work of scholarship, with loads of detail: but he says his purpose in writing it was "to explain why Lenin wrote *State And Revolution*". Hold on a minute – why not write it to explain why the protagonists from the First International – Eugene Varlin, Louise Michel, Victorine Brocher, James Guillaume – actually did what they did?

Actually you have to read the original stuff, the memoirs – Michel's *La Commune* is still not in English, likewise a lot of Varlin's stuff has never been translated. Ditto Victorine B's *Memoirs of a Living Corpse*. If you read this stuff you see the Commune was a vast social experiment: people made a social revolution in their lives, their relationships, with their very flesh and blood on the barricades. Yet Jellinek's book contains one short chapter on the "social policy of the Commune".

Now – I could have decided to



write a polemical book setting this all to rights, correcting this and that interpretation. But instead I decided to write the story straight, and so a lot of people who've learned their labour history from "lessons of" will be going cold turkey as they read this book because there is only one lesson spelled out, and even that I've

plants near the airport. That's where your green beans are packed. And the struggle is for knowledge: if you've seen *The Constant Gardener*, that is set in Kibera. But despite the existence of video theatres that show Premiership games live, and Kung-fu DVDs, nobody I met in Kibera had ever seen *The Constant Gardener*.

### **"Unless the labour movement repeats what the syndicalists did, and gets the mass of unskilled, unorganised and migrant workers into trade unions, it will not pass first base"**

left annoyingly vague, because I am after all a reporter who is not supposed to have political opinions.

MH: Go on, what is it?

PM: That power is just as big an issue as class for working people over the past 200 years. That given the opportunity, they carve out a niche in which they can live life under their own control – and if they can do this without challenging the economic system they will do it.

MH: Is there anything in the book that you think has relevance to the debates within the modern trade union movement?

PM: All of it. Each chapter starts with an account of a labour movement in formation today: it deals with slums and slum movements as well as factories and strikes – in Nigeria, China and Bolivia. I went to Kibera in Kenya too, but that was too late to make the book.

There they're linking the separate slum committees together and their first demand is that we stop calling them slums. What you have to get your head around is that the world of slums is intimately linked to the new factories of the global south: the people who live in Nairobi's slums work in the food packing

Basically one sixth of humanity – a billion people – live in slums. The workers' movement has hardly got a presence there: but in its golden age it ran the slums – and it's worth asking how.

MH: How do you think the global trade union movement can learn from the past?

PM: Study syndicalism during its heyday: one of the problems of labour history is that the syndicalist leaders – from Bill Haywood, to Tom Mann to Jim Larkin – actually became Communists after 1917, and in the process there was a new spin put on the history of syndicalism.

So while the RILU (the Comintern's trade union wing) tried to codify the experience into "theses", a lot of the actual experience was discounted. It's the same in the other direction: Nye Bevan was a syndicalist first, Labour MP after. The history of syndicalism got buried beneath what the syndicalists became.

Right now, at the most basic level, unless the labour movement repeats what the syndicalists did, and gets the mass of unskilled, unorganised and migrant workers into trade unions, it will not pass first base.

One photograph sticks in my

mind: it is of Elizabeth Gurley Flynn during the Lawrence "bread and roses" strike in 1912. She's on a platform, giving a massive crowd a verbal whiplashing – the classic pose of the syndicalist agitator.

But look closely at the flags that bedeck the platform: she is surrounded by the Stars and Stripes. I think the left's been prepared to tune that out – the level of compromises involved in building a movement; the way that, in building even a movement as radical as the Wobblies, the agitators were really building America, also.

MH: Did you learn anything while writing the book?

PM: I had to start by thinking: what if I knew nothing about the history of organised labour? What would I want to know? What would I find the most surprising? But as my research progressed I was genuinely surprised. The Peterloo labour movement truly did invent soviets: its all there in 1819, you just have to know what to look for.

Likewise, the Jewish Bund in Poland in the 1920s and 1930s probably built the most coherent working class counter-culture in history: but because it was a non-revolutionary movement, hated by the Communist International and not very well liked within the Socialist International, it's been largely forgotten.

I had to burrow deep into the "memory books" of Holocaust survivors to dig out the true story of the Bund – because, as you can imagine, much of the academic history is very polemical.

MH: Who is your favourite character in the book?

PM: Louise Michel, the French schoolteacher who was deported after the Paris Commune to New Caledonia for ten years. Anarchist, barricade fighter, cat lover. I don't cover all of this in the book but while she was in New Caledonia she fomented a revolt among the natives; then back in Paris she led an anarchist demo across Paris and was jailed for a further three years. During the last days of the



Commune she is wandering around under shell fire in Pere Lachaise cemetery, picking up shattered cherry blossom branches as they fall on her head and laying them on the graves of old revolutionaries from 1848.

When she's on the island her sister has to write her a letter saying, basically, if you carry on writing letters worrying mainly about what's happened to your cat, your mother will die of grief. Your cat is fine, get a life.

In jail in the 1880s she meets the carpenter Joseph Tortelier, and she has a few words with him, and he – though a minor and forgotten figure – is the one who travels

to Chicago after the Haymarket Massacre and then hits the meeting halls of Paris during the rise of syndicalism to popularise the idea of the revolutionary general strike. And then the entire century that follows is punctuated by revolutionary general strikes.

It is Louise who sums it up for me: "There are millions of us who don't give a damn for any authority because we have seen how little the many-edged tool of power accomplishes. We have watched throats cut to gain it. It is supposed to be as precious as the jade axe that travels from island to island in Oceania. No, power monopolised is evil."

nature of adaptation, and studied the conflicts that can be perceived between the sexes and between parents and offspring.

What all these scientists had in common was that they approached these issues of conflict and dynamic change from the point of view of genes. This was not because of any preordained ideological prejudice but because genes are the biological bits that are transmitted from generation to generation.

Looking at cooperation and conflict from the point of view of the gene, rather than the individual, proved to be enormously powerful. For example, Bill Hamilton's work, first published in two papers in 1964, addressed an issue which Darwin had recognised could threaten his theory of evolution – sterility in social insects.

Most ants are female, and are sterile. From a "good of the species" position this was easy to explain – it was simply the best thing for that species of ant. But the individual ants, and their genes, must also acquire some benefit from this situation, or mutants acting purely for their own interest would inevitably arise.

Hamilton showed that altruism could evolve because all ants share a high proportion of their genes. When a sterile worker ant rears the queen's eggs, she is contributing to the propagation of her own genes.

Hamilton's insight was not only applicable to ants and bees. By defining "fitness" – the success of a given organism – in terms of the number of copies of its genes transmitted to the next generation ("inclusive fitness"), Hamilton opened the door to the study of the evolution of altruism and cooperation in all species – including humans.

"Hamilton's rule" states that altruism will evolve whenever the benefits to the actor exceed the costs, multiplied by the relatedness of the two individuals concerned. This form of selection, which Maynard Smith termed "kin selection" turned out to be immensely powerful as a predictor of future behaviour – one of the key

## Understanding Dawkins: The Selfish Gene thirty years on

### THE SELFISH GENE – 30TH ANNIVERSARY EDITION

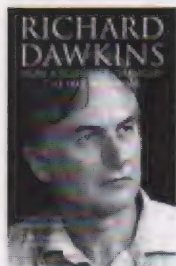
Richard Dawkins

OUP / 2007 / £8.99

### RICHARD DAWKINS – HOW A SCIENTIST CHANGED THE WAY WE THINK

Alan Grafen & Mark Ridley (eds)

OUP / 2007 / £7.99



IN THE 1960s, a group of biologists in the USA and the UK produced the most important breakthrough in humanity's understanding of evolution since Darwin. Their work was published in obscure scientific journals.

Then in 1976 Richard Dawkins published a highly readable account of these developments, *The Selfish Gene*, in which he challenged the popular view that organisms act "for the good of the species".

In its place, Dawkins outlined the position that was gaining adherence within the scientific community and which now completely dominates it – what

Dawkins calls "the gene's eye view". He examines, mainly animal, behaviours not from the standpoint of the organisms or species but from the point of view of the genes that make up those organisms. In this interpretation, evolution is seen, ultimately, as changes in the frequencies of genes in populations.

The ideas put forward in *The Selfish Gene* now dominate evolutionary biology in particular and the life sciences in general. The impact of Dawkins' book has been enormous, and *The Selfish Gene* is required reading for anyone wanting to understand 21st century Darwinism.

Dawkins skilfully summarises and explains the ideas of a handful of thinkers who shifted the scientific debate about evolution to the gene. In the UK Bill Hamilton and John Maynard Smith used algebra to show how genetically-determined altruistic behaviour could evolve and how different animals within a given species could show different, conflicting behaviours.

At around the same time, two US scientists, George C Williams and Robert Trivers, addressed the



signs of the power of a scientific theory.

Similarly, while a chocolate box view of the natural world suggests that parents and offspring cooperate, Trivers looked beyond that view, and showed that cooperation was composed of a series of behavioural and genetic conflicts between parents, between offspring and above all between the generations. This should not have come as a surprise to anyone who had watched baby birds competing with each other for food – or perhaps to any human parent – but Trivers' view marked a sea change in studies of parental behaviour in animals. Like Hamilton, Trivers showed that cooperation at the

acknowledged, the book could equally well have been called "The Cooperative Gene".

The second misconception was that Dawkins was suggesting that genes themselves are "selfish". Genes are mere molecules and exist only because of the organisms that contain them – they have no will, no motives, they simply are. Dawkins was using the kind of metaphor that is common in science, especially when it comes to translating complex mathematical equations into everyday language. Genes appear to behave as though they are selfish, and viewing their behaviour from this standpoint provides us with incredible insight.

A year before *The Selfish Gene*

human behaviour, and, crucially, that science, as a social product, must inevitably bear the stamp of its birth. In this – Stalinist – view of science, findings could be dismissed because of the attitudes (real or imagined) of the investigators who produced them, or their potential social consequences.

So when, in a typically provocative turn of phrase, Dawkins described organisms – including humans – as "survival machines" for genes, "gigantic lumbering robots" whose sole function is to enable genes to be transmitted across the generations, this was enough to label Dawkins as a reactionary reductionist, for whom all behaviours are directly controlled by genes.

Furthermore, through his continual emphasis on conflict between genes, and their "struggle" for survival, Dawkins appeared to be apeing the dog-eat-dog vision of the universe that characterised social Darwinism in the 19th century – and, after all, he did *not* call his book *The Cooperative Gene*.

However, all these caricatures completely miss the point. Firstly, Dawkins is not and was not a genetic determinist – he does not believe that there is a direct relationship between any piece of DNA and a given behaviour, or even anatomy. The pages of *The Selfish Gene* are full of the kind of caveats, nuances and "buts" which are the stuff of scientific theories, but which are rarely transmitted to the public. For those with eyes to read, Dawkins showed the dialectical relation between genes and behaviour:

"Expressions like 'gene for long legs' or 'gene for altruistic behaviour' are convenient figures of speech, but it is important to understand what they mean. There is no gene which single-handedly builds a leg, long or short. Building a leg is a multi-gene cooperative enterprise. Influences from the external environment too are indispensable: after all, legs are actually made of food! But there may well be a single gene which, *other things being equal*, tends to make legs longer than they would

## Dawkins is not and was not a genetic determinist – he does not believe that there is a direct relationship between any piece of DNA and a given behaviour

level of organisms was a product of conflict between the individuals and between their genes.

Dawkins summarised these findings, taking them out of the realm of obscure academic journals and transforming them into an incredibly well-written page-turner. He fleshed out the dry equations of the theoreticians, providing examples from his rich reading of the literature on animal behaviour, and from his own imagination, using a series of provocative images – "stories" as he accurately called them – to embody easily the essence of complex ideas.

Sometimes critics snapped at the provocation, failing to grasp the ideas behind it. For some, the title was enough to condemn the book out of hand. It appeared to suggest that individuals – including humans – are selfish, and that this is genetically determined. Yet Hamilton's work shows that the real difficulty for evolutionary biology was not explaining the evolution of selfishness, but rather its opposite – altruism. As Dawkins has since

appeared, Harvard biologist E O Wilson published his own attempt to summarise and popularise the new view of evolution, entitled *Sociobiology*. Wilson's grasp of the complexities of gene action was far less subtle than that of Dawkins. But what Wilson lacked in subtlety, he made up for in crass statements, in particular in the final chapter of his book, in which he argued that human behaviour was as susceptible to direct genetic influences as that of many animals.

Youth radicalisation coupled with the civil rights movement led to legitimate clashes with those scientists and commentators who argued that many aspects of human differences – social achievement, IQ, susceptibility to disease – are based on genetic rather than social factors (in particular racial prejudice, class, sexual stereotyping etc).

Furthermore, the dominant New Left and Maoist rhetoric of the time pushed many militants to argue that social factors were absolute determinants of all aspects of



have been under the influence of [another version of the gene]."

The attempt to portray Dawkins as a right wing reactionary collapses when you read what he actually wrote, rather than studying sound-bite extracts. It also suffered a blow when he revealed that he has always voted Labour or Liberal and that he loathed Thatcher, who many lazy critics assumed was his political counterpart.

The modern public image of Dawkins – militant atheist and opponent of the Iraq War – can also be found in the pages of *The Selfish Gene*, with its insistence that humans alone have the capacity for genuine, disinterested, non-genetic altruism. Far from seeing humans as ants, Dawkins argued that we are qualitatively different.

Ironically, the one part of *The Selfish Gene* that is truly an original idea of Dawkins is also the worst and has fared the least well over three decades. In the closing chapter he suggests that cultural change can be considered as an equivalent process to natural selection, and that there is a unit of cultural transmission – the "meme". While this word has passed into the *Oxford English Dictionary*, and has created its own sub-industry of minor academics, it has not established itself as a valid scientific concept, for two very simple reasons.

Firstly, what is a "meme"? What is it made of? Is it an idea, a thought, a concept? There are no answers to these questions, because, unlike the gene, a meme cannot be identified or its transmission studied.

More fundamentally, the analogy between cultural and biological evolution fails because opposing criteria are used to explain their spread: a gene spreads because it is successful, and its impact on the individuals that carry it can be studied. A "meme", however, is successful because it spreads.

Dawkins' dinner-party conceit has no way of explaining the success of one particular form over another. To take a trivial example – why did the "meme" of mini-

skirts spread in the 1960s? Why was it subsequently supplanted? There is no answer to these questions at the level of the "meme" – they can only be answered by reference to cultural effects, which is a different level of analysis.

The 30th anniversary of the publication of *The Selfish Gene* was commemorated in *Richard Dawkins: How a scientist changed the way we think*, a series of essays by various UK and US intellectuals, including Daniel Dennett and Philip Pullman. This might have been a cringe-making exercise in sycophancy, but is in fact an extremely stimulating book which makes an admirable accompaniment to (re)reading *The Selfish Gene*.

There are excellent essays on the reception of *The Selfish Gene* in the 1970s, and on misperceptions of Dawkins' political and social views, but probably the most telling are a handful of pieces by scientists explaining in simple terms how the worldview summarised in *The Selfish Gene* influenced their work.

Each of these unwittingly emphasises the intensely dialectical view of nature that also permeates the pages of *The Selfish Gene*. As Helena Cronin puts it in her piece on "The Battle of the Sexes

Revisited": "whenever we see cooperation, at whatever level, we should be prepared also to see conflict... the presence of conflict should not be interpreted as a lack of cooperation; on the contrary, it will be the result of cooperation."

This is true for social insects, nesting birds or human behaviour. However, like all scientific theories, it is a hypothesis that has to be tested in any individual case. It provides a framework for interpreting behaviour, it does not impose that view on the facts.

Dawkins provided an inspiring, brilliantly-written summary of a particular point in the development of our scientific thinking about the world. The last thirty years have tended to confirm that view.

Through his illuminating prose, Dawkins has enabled millions of readers to glimpse the amazing fluid beauty of genetic interactions that underlie, but which do not directly determine, behaviour. His book deserves to be read by everyone who has even a passing interest in how life came to be.

**Matthew Cobb**

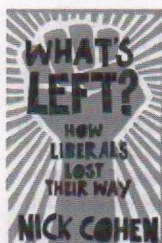
**Programme Director, Zoology  
Manchester University and author  
of "The Egg and Sperm Race"**

## What's right about political dishonesty and lazy journalism?

**WHAT'S LEFT?**

**Nick Cohen**

**Fourth Estate / 2007 / £12.99**



THE APPARENT aim of Nick Cohen's *What's Left?* is to detail how the "liberal left" has lost its way. In between the opening and closing chapters about the Iraq war

we are taken on a whirlwind tour of the left's shameful behaviour over the last hundred-odd years.

Not one for stretching himself,

Cohen dismisses the entirety of Trotskyism because the Workers Revolutionary Party founder, Gerry Healy, was a vile human being and probable rapist and because the miniscule Revolutionary Communist Party lied about Serbian concentration camps during the 1990s Balkan war. He dismisses Noam Chomsky because he has been a bit too free with his signature on petitions on occasions (although even there Cohen is on weak ground).

He dismisses the entire "middle class left" because (allegedly) Margaret Drabble likes to shoot her mouth off at dinner parties and



others of that milieu can be rather patronising.

He notices on the way that much of "cultural theory" is a load of tosh. He dismisses post-modernism because of Baudrillard's concept of the "hyperreal" (amongst other things). He dismisses "critical theory" because there is no longer an obvious literary canon of worthy works which any working class person could catch up on by going to their local library – it appears it's the left's fault both that public libraries have been cut and that there are too many books.

It is only in discussing the Iraq war that Cohen attempts any kind of theorising, where he casts his most insidious aspersions and where we see most clearly that *What's Left?* is not only politically, intellectually and journalistically weak but dishonest as well.

After a powerful description, taken from someone else's work, of the terrible crimes and slaughters in Saddam's Iraq, Cohen comes to the conclusion that there was no alternative to a foreign invasion. Supposedly the state apparatus, starved by ten years of military sanctions and, as the war proved, with barely a functioning army, was nevertheless too powerful for Iraqis to overcome themselves.

But almost from this point alone, Cohen states his belief that the war was right and necessary. He dares not explore the motives of his new allies, the neo-cons. Their stated aim to be acting on behalf of "democracy" is taken at face value, counter-arguments are not even considered and, even more boldly, Cohen asserts that Saddam's government was a fascist one.

The closest he comes to a definition of fascism is in describing these "fascist" governments as totalitarian and anti-enlightenment. For Cohen the enlightenment consisted of one thing and one thing only – a growth in democracy.

This was a key component of the age of enlightenment for sure, but it is far from being the only component. The growth of scientific reasoning was another major factor, and if anything could be said to

be the central tenet of that age, it was the belief in rationality as the basis of authority. But Cohen could not allow such a definition – as he actually condemns "the deadly consequences of the liberal belief in reason", which fails to comprehend that Saddam was, well, mad. As was Hitler, as is Mugabe, etc, etc. And with all these madmen about, we should be grateful for a very strong and powerful ally that is willing to bomb them back to the stone age. Even to attempt an explanation of the rise to power of such people is to apologise for them and give them comfort – at several points in the book you can almost hear Cohen repeating John Major's exhortation that we should "understand less".

But to crown it all the reason Cohen believes the left willingly support fascists, especially Arab ones, is because we are anti-semites. This "theory" is most disgracefully put forward in an early part of the book, when discussing Edward Said.

"He said the war was all the fault of... oh go on, guess."

This sentence follows Cohen detailing instances of when Arabic (and other) leaders had blamed all the problems of their countries upon "the Jews", so that by implication Said did too. And it is a disgraceful lie. Said never used the terms Jew and Zionist interchangeably (although Cohen does on occasion). Said blamed the political philosophy of Zionism,

particularly through its armed wing, the Likud Party, which ran the Israeli state. Cohen makes no attempt to show that he did do so. A base amalgam it is, once more, a bold and unsupported, assertion, uttered in an attempt to browbeat his opponents into submission.

Cohen dismisses the idea that anyone could have supported the "left wing fascists" (i.e. Stalin and, probably, the SWP et al) through any kind of rational thought process. Rather, they have an "emotional investment" in such modes of thinking.

But if this is true for "leftists" why would it not be true for ex-leftists? Hasn't Cohen simply got far too much emotion "invested" in defending the Iraq war? So that, even now it is an obvious disaster costing hundreds of thousands of lives, rather than admit his mistake, he simply grows louder and more strident.

In Cohen's world opponents of the war are wrong about the nature of a repressive regime, anti-enlightenment, the modern day equivalent of Nietzsche, defenders of fascism, irrational, opposed to democracy, anti-semites, giving succour to racists – and they have destroyed English literature to boot.

On the last point at least we can only bow before Nick Cohen's erudition.

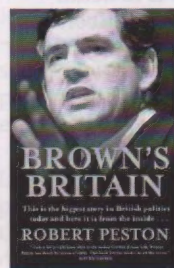
**Richard Belkin**

## Labour's new clothes – is Brown the new Blair?

**BROWN'S BRITAIN**

**Robert Peston**

**Short Books / 2005 / £7.99**



GORDON BROWN is destined to become Labour leader and so Prime Minister by the end of the summer. The ultra-Blairites' attempts to persuade David

Miliband, the only credible Blairite alternative to Brown, to stand against him seem to have failed. John McDonnell, the left's candidate, may struggle to get on the ballot paper and Charles Clarke, whose name has been mentioned as the Blairite candidate of last resort, is a washed up has-been. So what can we expect from a Gordon Brown premiership?

Robert Peston's 2005 book helps to illuminate this question. It is an authoritative account, by a



journalist close to Brown, of his years as Chancellor and his political credo. The book's strength is its considerable amount of detail about key events in the last ten years. In particular it focuses on the relationship between Brown and Blair, with many revelatory insights.

Peston seeks to tell the true story of the feuding and breakdown in relations between Brown and Blair. In so doing he recounts tales of policy disagreements, personal rows, long periods of no communication followed by partial reconciliations and so on, all of which are interesting and instructive for those wanting to know the inside story and fathom the differences between the two. The book is perhaps best known for the quote from Brown, "There is nothing that you could say to me now that I could ever believe." This was said after Blair made it clear he was going to serve a third term and not make way for a quick Brown succession.

But if they feud so relentlessly how come they are still together in the same cabinet? The short answer is, politically they still need each other. The long answer is there are no serious strategic differences between them. They are both overwhelmingly New Labour.

The problem for Peston is that he tends to confuse tactical differences with strategic ones. Questions like university tuition fees and foundation hospital borrowing powers, while capable of leading to heated arguments and parliamentary rebellions, have not resulted in splits. Indeed, on the issue of tuition fees, it was Brown, while preferring a form of graduate tax, who went out of his way to end Labour Party opposition to the introduction of fees, forcibly bringing leading Brownites into line.

For all their differences, the fundamental truth is that Brown and Blair share the same New Labour project. Indeed, they were the joint architects of it.

In the early period, Brown may have been its intellectual champion while Blair was its more pragmatic, political fixer but over the course of

the last ten years they have agreed on the fundamentals, whether it was neoliberal economics or imperialist politics.

Recently Brown has praised Blair strongly on the Iraq war, Blair has reciprocated on pension taxation. Brown has launched an effective pay cut for public sector workers over the next three years, on the back of a massive job cutting

with the Blairites over the years. He concludes that this illustrates the gulf between Brown on one side and Blair, Milburn and friends on the other side – the privatising, pro-choice side.

Clearly there is a difference in emphasis but that's all it is. Peston seems not to have noticed that it was Brown who introduced the massive PFI programmes in the NHS

## **For all their differences, the fundamental truth is that Brown and Blair share the same New Labour project. Indeed, they were the joint architects of it**

offensive in the civil service. Blair has applauded from the front bench.

None of this seeks to deny that the differences have grown – they have and the nature of these will inform us about Brown's likely actions in government. The problem comes when trade union leaders and others pretend these differences are sufficient to give Brown a chance and end up boycotting their own agreed policies rather than support alternatives like John McDonnell for labour leader.

There is currently a whole growth industry of people seeking to predict what the first one hundred days of a Brown premiership will look like. So what we are likely to see from Prime Minister Brown that is any way different from what has gone before?

Chapter 9 of *Brown's Britain* lays out some ideas. Peston makes great play of the difference in Brown's likely attitude to the public sector. Brown, he argues, has a much better understanding of the public service ethos. Peston quotes from Brown's 2004 Labour conference speech, "I have seen that... there are values far beyond those of contracts, markets and exchange and that public service can be a calling not a career", and points to the various battles he has fought

and the education sector, which are a gift to private capital.

There is no doubt that Brown will try and draw a line under the Blair years when he assumes power. In doing so, he will need to use all the techniques of "smoke and mirrors" that he has used in the presentation of his budgets over the years. No doubt we will see various presentational gimmicks and wheezes to give an impression that he has shed the least popular aspects of Blair's reign.

So expect to see an apparent distancing from a slavish pro-US stance, attempts to renew democracy given the lack of political engagement and certainly a continued emphasis on alleviating poverty in Africa. We may also see some kind of policy statement or manifesto to show that he can hit the ground running and claw back the political territory currently being laid claim to by Cameron.

Whatever is the case we will be in the camp that opposed him becoming leader, opposed his coronation, and which will fight the New Labour neoliberal policies he will pursue.

**Andy Smith**



# permanent revolution

Issue 4 / Spring 2007 / £2.50 €4.00

INSIDE:  
BOLIVIA  
DOSSIER



"High in the Bolivian Altiplano, about four hours south of La Paz, the city of Huanuni is home to the biggest mine in the country. Five thousand miners labour inside it to extract its prized tin ore. The calm atmosphere on the streets belies the fact that six months ago, on 5 and 6 October, bloody fighting left at least 14 people dead . . .

The riches that are removed from the earth in three shifts – 24 hours a day – stand in sharp contrast to the poverty of the city. At 4,100 metres above sea level the nights are bitterly cold, but the small houses are heated only by wood ovens

. . . There is neither running water nor a sewage system, and this means not only that a terrible stench hovers over the whole city but that the infant mortality rate is around one in ten."

Bolivia has witnessed dramatic and revolutionary events in the last four years. In 2005 the government was in a state of crisis and the workers' and popular organisations were in a position to seize power.

Their failure to do so allowed the ruling class to regroup. Elections were called but the people proved their desire radical change when they elected

popular leader Evo Morales as president.

"The Bolivian people – and above all the miners – have to ask themselves: what system are we going to press for? The people do not want a neoliberal system. If Morales goes in a neoliberal direction he will face large mobilisations of all sectors and especially the miners," promised Roberto Chavez, leader of the miners' union.

Read the full interview with Chavez, together with observations from other miners and activists in our dossier vividly describing recent events and developments in the struggle.

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